

Principles of Macroeconomics

Economics 105

Section: D100

Term: 2008 Summer

Instructor: P. Kennedy

Discussion Topics: By the end of this course students should:

a) understand the forces determining macroeconomic variables such as inflation, unemployment, interest rates, and the exchange rate;

b) be able to formulate and assess macroeconomic policy suggestions;

c) be familiar with macroeconomic terminology, such as the multiplier, monetarism, the natural level of unemployment and fiscal policy; and

d) be capable of interpreting and evaluating media reports on the macroeconomy.

Past students say this is a difficult course, not because it involves technical material, but rather because there are a lot of new concepts which must be fully understood to be able to apply them to the real world. You need good problem-solving skills. A lot of clear, hard thinking is required; students who rely on memorization to obtain good grades will not like this course.

Cheating of any kind in this course will result in my recommending a minimum penalty of an F in the course; recently, a student found cheating in this course received in addition a six-semester suspension from the university.

I occasionally send email messages to the class, for example to provide information about exams. It is expected that everyone will be checking their SFU email address regularly. My office hours, 2664 WMX, are 1pm-2pm on Tuesdays and Thursdays, but I would be pleased to talk with you at any other time you can find me in or arrange to meet me. I can also answer questions via email; my address is kennedy@sfu.ca

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Grading: There will be a midterm and a final exam for the course, the former on Tuesday, June 24, covering to the end of chapter 11 of the text. The final exam covers the entire course. There are several short written assignments to give practice writing answers to typical exam questions. Half of these will be done in groups - groups of size three or four will be formed during your first tutorial. The intention is that you should treat the assignments as a learning device, rather than a task that must be completed.

Exams evaluate students' understanding of macroeconomics and their ability to apply that understanding to real world contexts. Only a small part of these exams requires regurgitation of memorized material; they mainly require short written explanations of macroeconomic phenomena, of the rationale behind numerical calculations, or of interpretations of short news clips. Between 40 and 50% is "multiple choice." Calculators and English or English/foreign language dictionaries are permitted in exams, but not calculators capable of storing information, or electronic dictionaries. If you wish to use a calculator but do not own a basic calculator, buy or borrow one; calculators capable of storing information will be confiscated. Dictionaries will be inspected.

The final grade is your final exam letter grade, unless you did better on the midterm, in which case the final exam counts 60%, and the midterm 30%, with 10% allocated by your TA based on his/her perception of how well you understand the material. This TA evaluation is determined primarily by what s/he learns about you during tutorials; it is not tied to assignment grades. In essence, your TA is asked what letter grade s/he expects you to obtain on the final exam; it is never used to pull your grade down. If you miss the midterm exam, you may write it at your leisure at a later date and have it graded, for feedback, but the final exam must now count 90% or 100%. Requests for extra marks require regrading the entire exam. The grades are not "curved" or scaled, implying that you will not be denied an A grade just because a whole bunch of other people got slightly higher A grades. By the same token, an F grade will not be bumped up just because a whole bunch of other people got lower F grades.

Required Texts: The text is P. Kennedy, *Macroeconomic Essentials: Understanding Economics in the News*, second edition, MIT Press, 2000. Available from my web site are supplementary course materials, containing the course outline and readings, assignments, lecture outline

Recommended Texts:

Materials/Supplies: HOW TO OBTAIN ECON 105 COURSE MATERIALS

Course materials are available from the web at www.sfu.ca/~kennedy. Clicking on Econ 105 will send you to the course materials information file (45 pages), and the first-lecture handout (4 pages). Also ava

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Prerequisite/Corequisite: Students with credit for ECON 205 cannot take ECON 105 for further credit.

Notes: ****NO TUTORIALS DURING THE FIRST WEEK OF CLASSES****

Students requiring accommodations as a result of a disability must contact the Centre for Students with Disabilities

(778) 782-3112 or csdo@sfu.ca.

All students are expected to read and understand SFU's policies with regard to academic dishonesty (T 10.02 and T 10.03). These policies are available at the following web addresses:

<http://www.sfu.ca/policies/teaching/t10-02.htm> and

<http://www.sfu.ca/policies/teaching/t10-03.htm>

This outline is derived from a course outline repository database that was maintained by SFU Student Services and the University's IT Services Department. The database was retired in 2014 and the data migrated to SFU Archives in 2015.