

# Economics 2203

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**Hours** 9:40-11:30 Wednesday; also by appointment

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## Purpose

The purpose of this course is to teach you to basic macroeconomic principles that can be used to improve decision-making. Economic principles can be widely applied to problems in business, government, as well as in your everyday life. Emphasis will be placed on your understanding of the basic macroeconomic principles as well as your ability to use the principles in new settings.

## Etiquette

There are a few “rules” that you must follow to stay in my good graces.

- Turn off cell phones before class starts. That means no calls, no texting, no tweeting, no vibrating, nothing.
- When you send me an email, please use standard English and proper punctuation. This is good practice for the real world. If you send me a thoughtless email, then expect a thoughtless reply—or none at all.
- Do your own work. Cheaters will be caught and punished. Economists are expert at this.

- Please don't chit-chat with one another in class. It disturbs others around you and it might cause me to fly off the handle and say something indignant. Save us both the embarrassment and wait until after class to socialize.

## My Course Philosophy

Each of us has a role to play. Mine is to organize a college level course in macroeconomics, try to convey the important points in as clear a manner as I can, and to evaluate how much you learn. Yours is to learn. I cannot do that for you. Learning is something that YOU do. There are many ways to learn, and each of us has adapted to our particular strengths and weaknesses in this regard. Most find a positive relationship between input (how much time and thought you put into learning) and the outcome (how much you learn). Some have to work at it a lot harder than others, but that is true of any subject.

I cannot effectively or fairly measure your input, that is the time and effort that you put into this course. Therefore I do not try to do so. I measure output, which in this course is measured by how well you score on the exams. Most research into learning economic principles shows a high correlation between what people learn and how well they score on the kinds of multiple choice exams that I administer. It is not perfect, but it is better than every alternative that I've considered. If you prefer other kinds of evaluation (homework, writing papers, case studies, "extra credit"), then you should find another section to attend. There is none of that in here.

Given this, it is up to you to decide whether my course philosophy meshes with your learning style. I cannot make this determination for you. I do know that if you put some time into learning some basic definitions and principles and add to that some thought into putting all of the pieces together, you will find the study of macroeconomics to be at least mildly interesting and not overly difficult. It does take time and some thought, though.

## Prerequisites

This course is self-contained. I assume that you have taken a course in microeconomics and have a basic understanding of the laws of supply and demand. The ability to access the internet is useful.

## Texts

**Required** *Principles of Macroeconomics*, by John B. Taylor and Akila Weerapana. 7th Edition. New York: Southwestern-Cengage, 2011. You can buy an ebook version directly from [CengageBrain.com](http://CengageBrain.com) for \$102. The bookstore is charging more than this for a used copy. Since I am the only person using this book, resale of a hard copy is likely to be fairly small.

**Optional** Online Study Guide Instant Access Code (ISBN-10: 1133311857 or ISBN-13: 9781133311850). Each chapter contains an overview, an informal chapter review, practice questions and demonstration problems. Detailed answers are provided for all review and practice questions. End-of-part quizzes offer another chance to test your knowledge before taking exams. You can purchase the Study Guide through [CengageBrain.com](http://CengageBrain.com). The price is \$15.50. Note: this supplement is for the complete version of the textbook that includes all of the microeconomics chapters as well as the ones in our book. **If you use this, be sure to pay attention to the chapter names, because the chapter numbers will differ from those in our book.**

## Course Outline

1. The Central Idea
2. Observing and Explaining the Economy
3. Basic Supply and Demand – a brief review
4. Measuring the Production, Income, and Spending of Nations
5. Spending Allocation Model
6. Unemployment and Employment
7. Productivity and Growth
8. Money and Inflation
9. Nature and Causes of Economic Fluctuations
10. A Model of Economic Fluctuations
11. Using the Model of Economic Fluctuations
12. Fiscal Policy
13. Monetary Policy

14. Economic Growth and Globalization
15. International Trade
16. International Finance and the Foreign Exchange Market (time permitting)

## Exams and Grading

All exams will be multiple choice. No make-up exams will be given under any circumstance. An exam that is missed will be assigned a grade of 0, unless the instructor is notified prior to the exam and if the excuse is a legitimate medical one or officially approved. Exams that are missed for excused reasons will not be retaken; instead, additional weight will be given to a final comprehensive exam.

### Exams

Four exams will be given during the semester. Each of the exams counts 25% of your grade. No extra credit assignments will be given under any circumstance.

Do not miss an exam. If for some reason you anticipate a schedule problem (like officially approved athletic travel dates, etc.), talk to me well before the exam so that an alternative arrangement, when possible, can be made. Remember, if you miss an exam without prior approval to do so, you'll get a zero. That means that you'll probably get an F in the course. Don't mess up!

### Grades

Grades will be assigned on the following scale.

90\%-100\%	= A
80\%-89.99\%	= B
70\%-79.99\%	= C
60\%-69.99\%	= D
Below 60	= F

## Important Dates

November 9	Last Day to drop class. (Advisor signature req.)
November 22	Thanksgiving. No Class.
December 11	Final Exam 10:00 a.m. (Tuesday)

For a more comprehensive list of dates, follow this link to the registrar's office and follow the link to OSU's official Fall calendar:

<http://registrar.okstate.edu/index.php>

## Attendance Policy

Although I do not take role very often, I expect you to attend class everyday. You cannot expect to learn very much about economics this semester unless you attend this class regularly. That is not to say that everything you learn about economics this spring will be learned in class. Learning anything as powerful as economic principles is never that easy. On the contrary, most of what you will learn will be learned outside of class as you read, study, and discuss economics with your classmates. The purpose of class is to inform your reading, study, and discussions; lectures are used to present the basic structure of the economic models, illustrate points, answer questions, and to point out subtleties that would otherwise escape your attention. Without attending class, you won't have much of a clue about what or how to study. Attendance is crucial. It benefits you, your classmates, and me.

The taxpayers of Oklahoma provide the University a substantial subsidy to cover the cost of your education (they pay about 75%). In order to protect the taxpayers' overwhelming interest, I reserve the right to deny assistance to any enrolled student who does not attend class on a regular basis. Office hours are provided to assist those who take their academic responsibilities seriously. In other words, if you don't come to class regularly, don't bother coming to my office either.

Also, if you contact me by email, then I expect you to make it "professional," at least in the sense discussed in the Etiquette section above. I'll make every effort to respond likewise. The goal is promote mutual respect.

## **Cheating Policy**

Cheating in any form will not be tolerated. If you are caught cheating on an exam you will be given a zero for that exam and your actions will be reported to the proper authorities, which include your advisor, my department head, your academic dean, and the Office of Student Conduct. Cheating includes, but is not necessarily limited to, the following: obtaining, using, or distributing a copy of an exam before it has been given to all who are required to take the exam; altering your exam after it has been graded; copying answers or otherwise obtaining assistance from another student during an exam; using materials that are not permitted during an exam (e.g., cheat sheets); and providing information about an exam to other students who have yet to take the exam. It is also your responsibility to take the necessary precautions to prevent another student from seeing and/or using your exam as a source of information. Be smart, don't cheat.

## **Need More Help?**

Here is a link to the official OSU syllabus attachment. It provides answers to some commonly asked questions.

<http://academicaffairs.okstate.edu/current-students/47-syllabus-fall>

# How to Succeed in Econ 2203

If you want to succeed in Econ 2203 there are several things which you must do on a regular basis. Average students (those with 2.5 GPA) can usually make above average grades in my class if they develop proper study habits. The basic rule of thumb is: Spend 6 hours per week studying economics and success is likely to follow. Here is my personal formula for improving performance.

**Read the book.** Read assigned material before coming to class. This prevents what I call the foreign language syndrome (FLS). FLS occurs when students attend class, but don't have a clue as to what the professor is saying... he is apparently speaking in an unknown tongue. Students then rationalize not attending class by saying to themselves, "I don't get anything out of his lectures."

**Attend class regularly.** For most, reading the book and completing the study guide are necessary but not sufficient conditions for doing well in Econ. You will find that by attending class you will often discover what the teacher finds important. If the teacher believes something is important, then . . . . By attending class and paying attention to what I say, you will often be able to economize on the amount of material you need to cover on your own.

**Review your notes.** After each class, it's a good idea to review that day's notes. Take a few minutes to make sure everything you have written down is 1) correct and 2) makes sense to you. You will usually find "truth" in your textbook. If your notes or your book don't make sense, either figure out why or ask about it in the next class. If you solve each of these little puzzles as you go along, then when test time comes you'll be working under much less stress and will tend to do much better.

**Use the online study guide.** The study guide can give you some practice in answering questions like those you'll see on the exam. This is optional and only you can decide whether you are a "study guide" person or not. It is only \$15.50, but if you don't use it, then you'll have that to spend on something else. Choices. That is what economics is about.

**Rewrite notes.** If you are really serious about improving your grade, I've found that it is a good idea to rewrite your notes at least once before the exam. There is some mysterious force at work in the universe which imparts greater understanding and memory to those who actively participate in the learning process. Active participation includes such things as discussion and writing. Reading notes is not active. Writing the notes is active, and by doing this, you will improve comprehension and retention and will improve your grade.

**Don't cram.** For the type of thinking exams you will encounter in this class, it is very important that you keep up and study as you go along. And, whatever you do, please don't stay up all night studying before an exam. This is just about the biggest mistake one can make in an economics class. At that point, you will do better with a fresh mind than one dulled with fatigue and filled loose 'facts'.