

# Economics 2203

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## Purpose

The purpose of this course is for you to learn the basic principles of macroeconomics<sup>1</sup>.

Knowledge of these principles is an important step one takes in understanding the past and present environment in which we live. Principles will also serve you well in the future as you make decisions about your education, your family, your work, accumulating wealth, your retirement, and the selection of public servants that determine policy and operate our governmental institutions<sup>2</sup>. Emphasis will be placed on your understanding of the basic macroeconomic principles as well as your ability to use the principles in new settings<sup>3</sup>.

## 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.

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<sup>1</sup>SSB Program Learning Goal: Business Knowledge and Competency

<sup>2</sup>Program Learning Goal: Critical Thinking

<sup>3</sup>Program Learning Goal: Critical Thinking

- 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.

Most of your grade is determined by your output, which in this course is measured by how well you score on the exams. 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.

A portion of your grade is measured by input. That means you get points for things you do (not what you know). My belief is that you will know more after doing these assignments, hence I will count them in your final grade. You will be assigned a series of exercises that must be completed on time to receive credit. There will be at least one for each chapter I cover and the due dates will be posted on our EconPortal website. The assignments will help you to prepare for the exams. They consist of answering multiple choice questions, drawing graphs, reading, and watching some short videos. These assignments are made through **EconPortal**, a subject discussed in a later section of this syllabus. If you prefer other kinds of evaluation (writing papers, case studies, "extra credit"), then you should find another section to attend. During the semester, two of the assignments will be dropped. This allows for technical problems and other issues that you may encounter during the semester. I suggest you plan to do every one of them. Once you burn up your grace, you'll get a zero for missing an assignment.

It is up to you to decide whether this type of assessment 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, although I assume that you have taken a course in microeconomics and have a basic understanding of the laws of supply and demand. I will cover basic supply and demand, but the treatment is quick and you'll be well-served by having seen it in a previous course. The ability to access the internet is necessary. Portions of the course, namely homework, are delivered on-line.

## Text and online materials

**Required** *Modern Principles of Macroeconomics*, by Tyler Cowen and Alex Tabarrok. 2nd Edition. Worth, 2013.

Textbook Website:

<http://www.worthpublishers.com/Catalog/product/modernprinciplesmicroeconomics-secondedition-cowen>

The book is sold as a looseleaf bundle that includes an **access card** for the online portion of the course. The included card contains an activation code that will give you access to **EconPortal**. **EconPortal** contains an html copy of the book, narrated tutorials, sample quizzes, assignments, and something called “**learning curve**”. You will be using learning curve and some of the other online materials to complete assignments and as a study aid. EconPortal is required as input from it will account for part of your grade.

## Course Outline

### I. Supply and Demand

Chapter 1: The Big Ideas in Economics

Chapter 2: The Power of Trade and Comparative Advantage

Chapter 3: Basic Supply and Demand – a brief review

Chapter 4: Equilibrium (How prices are determined)

## II. Economic Growth

Chapter 6: GDP and measuring progress

Chapter 7: Wealth of nations and economic growth

Chapter 8: Growth, Capital Accumulation, Catching-Up

Chapter 9: Saving, Investment, and the Financial System

## III. Business Cycle

Chapter 11: Unemployment and Labor Force Participation

Chapter 12: Inflation and the Quantity of Money

Chapter 13: Business Cycle: Aggregate Demand and Supply

Chapter 14: Transmission and Amplification of Economic Fluctuations

## IV. Macroeconomic Policy and Institutions

Chapter 15: Federal Reserve and Open Market Operations

Chapter 16: Monetary Policy

Chapter 17: Federal Budget: Taxes and Spending

Chapter 18: Fiscal Policy

## V. International Economics

Chapter 19: International Trade

Chapter 20: 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

Only three exams will be given during the semester. Each of the exams counts 26% of your grade. No extra credit assignments will be given under any circumstance. If it makes you feel better, you can consider the portion of your grade derived from EconPortal as bonus points—that is if you complete each assignment on time.

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!

## EconPortal

A portion of your grade will be computed based upon your successful completion of a number of online assignments. These assignments are designed to help you learn the material that you will be tested on. Assignments must be completed on time to earn credit.

The online assignment portion of the course is worth 22% of your grade. Take advantage of it. If you complete it successfully, these are easy points to earn and will significantly improve your course grade. On the other hand, failure to do these in a timely manner will almost assure failure.

**EconPortal** is an external website where you will access your interactive textbook, do regular homework assignments, and have access to a variety of student aids for the textbook.

## Enrolling in EconPortal

To enroll in **EconPortal** for the first time:

1. Go to <http://courses.bfwpub.com/cowentabarrokmacro2.php>. Chrome and Safari are not supported by EconPortal. You will have to use either Microsoft Explorer or Firefox as your browser when you use EconPortal.
2. Click on the link "REGISTER AN ACTIVATION CODE."

If you purchased the text in the OSU Student Union Bookstore, it should come with a code card. If you don't have a code or purchased another version of the book, you

can purchase access directly using links on the website.

3. Follow the onscreen instructions. Enter the activation code, enter your name, email address, select a password and password hint. It is recommended that you use your OSU email address. This helps me keep track of what you do so that you get the credit you earn.

Follow the on-screen instructions to find this course. Start by selecting state/province (OK), then school name (Oklahoma State University-Stillwater), then course/instructor (Introduction to Macroeconomics (TR12:30-1:45) Adkins).

After completing this registration process, you may use EconPortal.

4. If you have not purchased the activation code, you can purchase one for \$80 that gives you access not only to EconPortal, an interactive, electronic version of the text, and other stuff that you will find useful in the course. Click on the link “Purchase Access to EconPortal”.

In Figure 1 below you’ll see what the registration screen looks like.

## **EconPortal User Guide**

[http://courses.bfwpub.com/help/cowentabarrokmacro2/Student/QuickStarts/cowentabarrokmacro2\\_UserGuide.pdf](http://courses.bfwpub.com/help/cowentabarrokmacro2/Student/QuickStarts/cowentabarrokmacro2_UserGuide.pdf)

## **Tips about using EconPortal**

1. Use your campus email address as your EconPortal user name. This makes it easier for me to coordinate with grade submission and our campus course management environment, D2L.
2. Remember, you need to use either Firefox or Internet Explorer to use EconPortal. Chrome and Safari have issues that may cause your submissions to EconPortal to fail.
3. I am NOT tech support for EconPortal. If (When?) you have issues with the system, call the tech support phone number listed on our EconPortal homepage. They are open late and wait times are VERY short. When you report an issue to tech support, they notify me about your problem.

## Register an Activation Code

- Enter the following information to register your copy of *Macroeconomics*, Second Edition :

Activation Code\*:

**Note: You must enter the dashes in your activation code.**

First Name:

Last Name:

Email:

**Note:** Your e-mail address will serve as your username for Cowen Macro 2e Portal. **We STRONGLY suggest you use your school email address to ensure you get credit for your work.**

- » Please enter a **password** for your account. Your password must be between 4 and 16 characters long, and may contain only letters, numbers, and/or the underscore (" \_ ") character. (If you've previously registered for any other website associated with a Bedford/St. Martins, W.H. Freeman, or Worth Publishers textbook, use the same password you used then. If you're not sure, just enter a password below and we'll check it for you.)

Password:

Retype Password:

- » Enter a question that will remind you of your password, should you forget it. For example, if your password is a street address, your hint might be: Where did I live when I was 12?

Password Hint:

- » Finally, please type **your** e-mail address in again here. Mis-typed e-mail addresses are the most common cause of registration and login problems. Also, we need a correct e-mail address for you in order to send you confirmation of your registration.

Confirm **Your** E-mail:

- 
- Select your instructor's **Cowen Macro 2e Portal** course:

Select the state or province where your **institution** is located:

Select your institution:

- » Select your course / instructor:

**NEXT** ▶

\* If your Cowen Macro 2e Portal access code came bundled with a printed textbook, there should be an Activation Code printed on a card accompanying the printed book. Once activated, your eBook subscription is for your use alone.

Figure 1: This is what the registrations screen looks like for EconPortal. Go to <http://courses.bfwpub.com/cowentabarrokmacro2.php> to register.

## 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

Exam 1	26\%
Exam 2	26\%
Final Exam	26\%
EconPortal	22\%

## Important Dates

The official calendar for this course is kept on EconPortal, NOT D2L. All assignment dates are kept at EconPortal.

September 19	Exam 1
October 24	Exam 2
November 8	Last Day to drop class. (Advisor signature req.)
November 28	Thanksgiving. No Class.
December 12	Final Exam 10:00 a.m. (Thursday)

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://www.learn econometrics.com/pdf/2013sylattach.pdf>

## 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. Reading assignments are listed in EconPortal. You can access them through the looseleaf hardcopy version of the book or from the online ebook. Keeping up with 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.** Actually, you should take notes; don't just rely on downloadable powerpoints or lecture notes for this purpose. You really need to get actively engaged in processing what goes on in class. After each class, it's a good idea to review that day's material. 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 you 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 material in EconPortal.** This study guide can give you some practice in answering questions like those you'll see on the exam. In addition to the Learning Curve assignments, there are some practice questions available to you. If Learning Curve suggests you are weak in a particular area, practice more in that area.

**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. The online assignments are designed to force you to do this. The time you spend doing this should lessen the need to cram. Remember, there are only 3 exams so there will be a temptation to put study off as long as you can. But, be warned, there is NO WAY to learn 5 weeks worth of economics in a day or two. If there were, then classes would only last a week! 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'.

**Pay attention to current events.** Economics happens whether we are paying attention or not. If you start paying attention to what is going on, you will find a lot of examples of what we discuss. Although macroeconomics is a bit abstract, there are plenty of reports in the news about the latest economic "numbers." One of the goals of this course is to help you understand what these numbers mean and how they can be used to anticipate what is likely to follow. Paying attention to current events will do two things. 1) You'll develop more interest in the workings of world around you and 2) it will help cement economic concepts into your mind. I think you will find economics both interesting **and** useful. Most subjects are one or the other.