

## ECONOMICS 102: Introduction to Macroeconomics

<http://emlab.berkeley.edu/~olney/siena/econ102>

### Class Meetings

Econ 102 - 09 meets MWF 1:30 - 2:25 in Siena 224  
Econ 102 - 11 meets MWF 2:35 - 3:30 in Siena 224

### Contact

Professor Martha Olney, Colbeth 110, 782-6781.  
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Office Hours: Thurs 3-5 in Colbeth 110  
MWF 11:30 - 12:20 in Colbeth 110

### Books and Materials

#### REQUIRED:

- Martha L. Olney. *Macroeconomics as a Second Language*. Wiley, 2011. Royalties from the sale of the book to Siena students will be donated to the Siena Annual Fund.
- iClicker2. Available from Bookstore or online.
- Regular reading of a first-rate news source (print or online version).
- Articles that Prof. Olney sends by email or posts on Blackboard.

### Prerequisites

There are no formal prerequisites for Econ 102.

More generally: The most important prerequisites are an interest in the subject, a willingness to commit the necessary resources in terms of time and intellectual effort, and a desire to actively participate in the learning process. This course will require a challenging mix of analytic, quantitative, and communication skills. You should be prepared to deal extensively with graphs, algebra, and detailed technical language. If you are concerned about your level of preparation, please come talk with me.

### School of Liberal Arts Mission Statement

The mission of the School of Liberal Arts is to create a dynamic learning community, rooted in the ideals of our Franciscan and Catholic tradition, in which students and faculty work together to explore the intellectual, spiritual, and aesthetic dimensions of a humane and responsible world. We accomplish this through academically rigorous programs in the humanities, social sciences and the arts. Students and faculty engage in active teaching and learning to develop critical and creative thinking, informed and reasoned judgment, a diversity of intellectual and cultural perspectives, clear writing, and effective communication. . . . We encourage each individual to reach his or her highest potential, as we work together with respect, with friendship, and with joy.

### Goals and Objectives

This course examines the foundations of economic theory as it relates to unemployment, inflation, and economic growth. Topics include measurement of the macroeconomy, macroeconomic equilibrium, national income accounting, theories of income determination, money and banking, and fiscal and monetary policies. In addition we begin by covering a bit of micro: supply and demand, and the production possibilities frontier.

The Economics Department has developed learning objectives for this course.

- demonstrate understanding of the fundamental macroeconomic concepts
- critically analyze and interpret economic data
- apply economic reasoning to analysis of current events

### Statement of Expectations

You should expect that the average weekly workload in this course will be three hours in class plus a minimum of six hours of studying and assignment preparation. This is a survey course addressing the subject of macroeconomics. It is one of the core subjects in the business curriculum. The material to be covered is important. It is worth your time to learn it and to know how to apply it. It is not easy material -- economics is inherently difficult, especially in a very competitive environment. Most of the learning that will take place will happen outside of the classroom: when you are working on the material, reading, thinking critically, analyzing, and applying concepts and techniques. The amount you learn and the level of skill you develop will be directly related to the amount of effort you expend. Classes are opportunities to discuss and apply the material, and to develop communication and leadership skills. They are also opportunities for me to provide insight, to help enhance your understanding, and for the evaluation of performance.

### School of Business Mission Statement

The mission of the School of Business is to offer values oriented, intellectually stimulating educational programs that prepare students for business careers and continuing intellectual and professional development. The School of Business places paramount importance on teaching and learning in an atmosphere enriched by business collaboration, professional activity, and scholarship. This is accomplished by integrating the College's liberal arts and Franciscan traditions with current business theory, skills, and practices.

### Assignment: Letter of Introduction due Friday January 20

For Friday Jan 20, please write a one-page letter of introduction of yourself to Prof. Olney. Include your name and anything about yourself that you would like to share. This may be typed or handwritten. Please embed or attach a photo of yourself. The paper will not be returned. On-time submission merits 5 points; submitted between Jan. 20 and Jan. 27, 3 points; submitted between Jan. 27 and Feb. 29, 1 point; submitted after February 29, 0 points.

Possible points	
Attendance & Participation.....	36
iClicker .....	30
Letter of Introduction.....	5
Problem Sets .....	30
“TRY” Questions.....	26
Learning Styles Inventory.....	5
Pick-up Assignment.....	3
Study Strategies Evaluation.....	5
Quizzes .....	135
Midterm .....	100
Final .....	125
Total Points.....	500

**Quiz & Exam Dates**

Quiz #1 .....	Fri Feb 3
Quiz #2 .....	Mon Feb 20
Midterm .....	Fri Mar 2
Quiz #3 .....	Fri Mar 30
Final .....	T.B.D.

**Problem Set Due Dates**

PS #1 .....	Mon Jan 30
PS #2 .....	Wed Feb 15
PS #3 .....	Mon Feb 27
PS #4 .....	Mon Mar 19
PS #5 .....	Mon Apr 16
PS #6 .....	Fri Apr 27

**TRY Question Due Dates**

Chapter 1.....	Mon Jan 23
Chapter 2.....	Wed Jan 25
Chapter 5.....	Fri Jan 27
Chapter 3.....	Wed Feb 1
Chapter 4.....	Wed Feb 8
Chapter 6.....	Fri Feb 17
Chapter 7 (to pg. 127)....	Fri Feb 24
Chapter 7 (pp. 128-30) . .	Wed Feb 29
Chapter 7 (pg. 133) and Chapter 16 (#10 & 11).Wed	Mar 7
Chapter 8.....	Wed Mar 21
Chapter 9.....	Fri Mar 23
Chapter 10.....	Wed Mar 28
Chapter 11.....	Wed Apr 4
Chapter 12.....	Fri Apr 13
Chapter 13.....	Wed Apr 18
Chapter 15.....	Mon Apr 23

**Other Assignments**

Letter of Intro. ....	Fri Jan 20
Learning Styles. ....	Mon Jan 23
Study Strategies. ....	T.B.D.

**About the Grading Components**

- Attendance & Participation: Arrive on time, stay the whole period, don't sleep, phone off = 1 point. Absent, late, leave early, walk out, phone on, sleep = 0 points. Count 36 (of 39) points max.
- iClicker: Answer more than half the iClicker questions during class = 1 point. Count 30 (of 33) points max.
- Letter of Introduction: Turned in on Jan. 20, 5 points; up to 1 week late submission, 3 points; submitted between Jan. 27 and Feb. 29, 1 point; submitted after February 29, 0 points.
- Problem Sets: Problem sets will contain both traditional “problems” as well as short writing assignments. 6 problem sets, up to 5 points per problem set. Due at the beginning of class. Turned in after class begins = loss of 2 points. Turned in after class ends = loss of 4 points. More than 24 hours late = 0 points.
- “TRY” Questions: In each chapter of the book, there are “TRY” questions. Write up your answers to the TRY questions, grade your answers, and turn in the self-graded work. On-time submission = 2 points. No partial credit; no late papers. Count 26 (of 32) points max.
- Learning Styles Inventory : Take a learning styles inventory (URL provided by email), write up your reflections on the results, including what learning strategies are suggested by your results. Up to 5 points.
- Pick up Assignment: Pick up your graded learning styles paper during my office hours on Jan 25, 26, or 27 = 3 points.
- Study Strategies Evaluation: After one of the tests, you'll be asked to write a paper reflecting on your study strategies. Up to 5 points.
- Quizzes: 45 points each. Designed to take no more than 30 minutes, focused on a limited number of topics. No multiple choice nor true/false questions. All short-answer problems.
- Midterm: 100 points. Designed to take the full period. Covers all topics since beginning of term.
- Final: 125 points. Designed to take 80-90% of full exam period. Covers all topics since beginning of tem.

**Grading Policies**

- It's impossible to say in advance what point score corresponds to what letter grade.
- You must pass the final in order to pass the course.
- If you work on problem sets in a group, you must [1] list all group member names on your paper, and [2] write up your own answers / thoughts. That is, group studying to help each other understand is fabulous. Identical answers constitute cheating => 0 points. More than one instance of identical answers and we have a problem.
- Regrade requests for quizzes and exams must be submitted in writing within 7 days of when the quiz or exam is returned in class. Regrade policy is posted on Blackboard.
- No calculators, laptops, or other electronic devices allowed during quizzes or exams.
- Old midterms and finals on my website give you a good idea of the sort of questions I like to write.
- Exams and quizzes will be closed-book, closed-note assessments consisting of definition, short-answer, essay, and problem questions. No true/false or multiple choice questions. Exam books will be provided.
- There are no scheduled make-up quizzes or exams. Sick? Call & email me.

**Academic Integrity**

The concept of academic integrity lies at the very heart of any college. This is particularly true of Siena with its strong Franciscan tradition and its dedication to fostering sound moral growth. In such an environment, academic dishonesty cannot be tolerated.

Students who commit such acts expose themselves to punishments as severe as dishonorable dismissal from the College. Academic dishonesty can take different forms, including, but not limited to: cheating (dishonesty in a test situation), plagiarism (dishonesty in the presentation of materials in a paper or report), and computer abuse. In any situation in which a student is unsure of what constitutes academic dishonesty, it is the student's responsibility to raise the question with his or her instructor. College expectations are at

<http://www.siena.edu/pages/2667.asp>.

### Course Outline

Date(s)	Topics	Textbook reading	Assignments & Assessments
Jan 18, 20	Introductions, Overview, What's an Economic Model?	Chap 1	Letter of intro due Fri Jan 20
Jan 23, 25, 27	Production Possibilities Frontier, Economic Growth	Chap 2 & 5	Learning Styles due Mon Jan 23 TRY, Chapter 1 due Mon Jan 23 TRY, Chapter 2 due Wed Jan 25 TRY, Chapter 5 due Fri Jan 27
Jan 30, Feb 1, 3	Supply & Demand; Intro to Macro Quiz 1 on Friday Feb 3	Chap 3	PS 1 due Monday Jan 30 TRY, Chapter 3 due Wed Feb 1 Quiz #1 on Friday Feb 3
Feb 6, 8	Measuring the Macroeconomy: GDP	Chap 4	TRY, Chapter 4 due Wed Feb 8
Feb 10	School holiday. No classes, no office hours		
Feb 13, 15, 17	Unemployment and Inflation; Macroeconomic Equilibrium: Keynesian Cross	Chap 6	PS 2 due Wednesday Feb 15 TRY, Chapter 6 due Fri Feb 17
Feb 20, 22, 24	Consumption Quiz 2 on Monday Feb 20	Chap 7 (to pg 127)	Quiz #2 on Monday Feb 20 TRY, Ch 7 (1-15) due Fri Feb 24
Feb 27, 29, Mar 2	Investment Midterm on Friday March 2	Chap 7 (to pg 131)	PS 3 due Monday Feb 27 TRY, Ch 7 (16-19) due Wed Feb 29 Midterm on Friday March 2
Mar 5, 7, 9	International	Chap 7 (pg. 131-end) Chap 16	TRY, Ch 7 (#20) and Ch 16 (#10 & #11) due Wed Mar 7
Mar 12, 14, 16	Spring Break. No classes, no office hours		
Mar 19, 21, 23	Multiplier; Policy Overview	Chap 8 & 9	PS 4 due Monday Mar 19 TRY, Chapter 8 due Wed Mar 21 TRY, Chapter 9 due Fri Mar 23
Mar 26, 28, 30	Fiscal Policy & Debt Quiz 3 on Friday March 30	Chap 10	TRY, Chapter 10 due Wed Mar 28 Quiz #3 on Friday March 30
Apr 2, 4	Money Creation; Money & Interest Rates; Monetary Policy	Chap 11	TRY, Chapter 11 due Wed Apr 4
Apr 6, 9	School holiday. No classes, no office hours		
Apr 11, 13	Money & Interest Rates	Chap 12	TRY, Chapter 12 due Fri Apr 13
Apr 16, 18, 20	Monetary Policy; Inflation & Output: Monetary Policy Approach	Chap 13 Chap 15	PS 5 due Monday Apr 16 TRY, Chapter 13 due Wed Apr 18
Apr 23, 25, 27	Inflation & Output: Monetary Policy Approach; Review	Finish Chap 15	TRY, Chapter 15 due Mon Apr 23 PS 6 due Friday Apr 27
Apr 30	Review	Review	

### Responsibilities - Mine and Yours

My (Prof. Olney) responsibilities are to come to class prepared; respond to and encourage questions and other appropriate class participation; grade all materials; be available during office hours and for scheduled appointments; and stimulate an enthusiasm for economics and for learning.

Your responsibilities are to attend and participate in class three hours per week; complete the assigned readings in a timely manner (allowing time to re-read difficult chapters); participate in class; complete all assignments on time; and take all quizzes, midterms, and final exams. You should expect that the average weekly workload in this course would be three hours in class plus a minimum of six hours of studying and assignment preparation.

### E-mail Between You and Prof. Olney

I use email to communicate with everyone, sending articles, announcements, and so on. E-mailed links to additional readings from current news sources are to be considered required assigned readings for the course. Checking email is a requirement of the course. E-mails I send will be archived in the "announcements" section of Blackboard.

Emails sent to Prof. Olney must have "Econ 102" plus a descriptor in the subject line. Emails must use appropriate grammar and spelling (no txtng) and must be signed with both first and last names. Emails that don't meet these minimum expectations are discarded without being read.

### Laptop & Cell Phone Policies

Because they are a distraction, no laptops are allowed in class unless required to accommodate physical or other disability. Tablet PCs and iPads flat on the desk are ok. Any non-class related use of tablet PCs or iPads will eliminate your right to use your tablet PC or iPad in class for the rest of the term.

Cell phones should be turned off (not to vibrate) before class begins. If you need to use the calculator on your cell phone during an in-class exercise, you may do so. But no texting or other phone activity other than calculating!

### Accommodations.

Students who would benefit from special accommodations in testing and in other aspects of the course should discuss their unique and particular situation with the Disability Services Office. If you will require accommodation, please talk with me before January 27. More information is available at <http://www.siena.edu/pages/2759.asp>.

### Blackboard and Course Website

I'm generally not a fan of blackboard because of the closed access. I'll use the gradebook, and emails I send to the entire class will be archived in the "announcements" section. Most of the class materials will be posted on the open access site: <http://www.econ.berkeley.edu/~olney/siena/econ102>

### Pandemic Planning and Emergency Planning

In the event of a pandemic resulting in an extended absence from campus this course will continue through to completion, providing that communications can be maintained. Specifically,

- Bring all texts and a copy of the syllabus/course schedule home with you in the event of a College Closure. The Academic Calendar will be adjusted upon Reopening; so be prepared for the possibility of a short mini-semester; rescheduled class / exam period; and /or rescheduling of the semester.
- If your situation permits, continue with readings and assignments, per the course schedule.
- You will be given instructions regarding how to deal with paper assignments requiring library or other required research by me, as needed.
- Online office hours will be used by me in order to maintain contact with my students. You will be able to "check-in" with questions that you have. If you do not have internet access available, let me know. Remember, internet, mail delivery, and telephone services may also be impacted by a Pandemic or other emergency event.
- Finally, stay connected with information regarding the status of the College's status and Reopening schedule by monitoring the Siena website, [www.siena.edu](http://www.siena.edu).

Further information at <http://www.siena.edu/pages/2887.asp> covers a more complete set of emergency procedures.

### The Bulleted Summary

- I'm responsible for being the best professor I can be
- You're responsible for being the best learner you can be
- Read your email
- Sign & label your emails
- Proper grammar & spelling, please
- No distractions during class
  - no walking out
  - no cell phones
  - no laptops
  - no chitter-chatter
- Announcements sent by email
- Blackboard for email archive and a few things
- Website listed at top of pg 1 for most things
- Plan ahead in case campus is closed for an emergency

### My Favorite Websites

<http://www.calculatedriskblog.com/> is a great finance blog, very relevant to macro

<http://economistsview.typepad.com/economistsview/> is an excellent macro blog by Mark Thoma, Oregon prof.

<http://krugman.blogs.nytimes.com/> is sharp, witty, and accessible only if you have a NYTimes subscription or are linking through someone else's blog (start at calculated risk)

<http://delong.typepad.com/> is by my colleague Brad DeLong, an incredibly smart and well-read economist who can (he admits) be a bit shrill

<http://www.bls.gov> is the site for unemployment & inflation data

<http://www.bea.gov> is the site for GDP and national income data

<http://www.federalreserve.gov/> is the Fed's site