

ECON 3 – PRINCIPLES OF MACROECONOMICS (Spring 2012)

Class Meetings: TuTh, 12:30-1:50pm, Center Hall 101

Instructor: Lili Xie

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Office Hours: TuTh 9:50-10:50am

Class Webpage: TED

Course Information

- Description: This course is an introduction to the topics studied by macroeconomists. We will begin the course by looking at the most important economic statistics used by macroeconomists to diagnose the health of the economy. Then we will use these economic statistics to look at the different sectors of the economy, including the labor market, capital markets, financial markets, and international capital and currency markets. We will finish the course by examining the causes of and cures for short-run economic fluctuations.

Required Book and Materials:

- Robert H. Frank and Ben S. Bernanke, *Principles of Economics*, 4th ed. (ISBN#: 0073402885). A UCSD custom edition of the textbook is available at the UCSD bookstore for less than usual price. The UCSD custom edition contains an important appendix to Chapter 5 that is not in the standard 4th edition and is cheaper. You can also purchase the 2nd or 3rd edition of the textbook, but be warned that the order of the chapters changes from one edition to the other, and it is your responsibility to make that translation.

Evaluation:

- Your grade will be determined based on: Homework (20%), Midterm (30%), and Final (50%).
- Exam Dates (Please mark these in your calendar):
Midterm: 12:30-1:50pm, **May 3rd** (Thursday), in class
Final Exam: 11:30am-2:30pm, **June 11th** (Monday), Room TBA
- Homework Assignments: You will have weekly assignments on TED. You can drop the lowest grade at the end of the quarter. If you missed the deadline of an assignment, no make-up will be provided. So please get started on the assignment early instead of waiting until the last moment.
- Make-up Policy: There will be no make-up exam available in this class. **You must take the final exam in order to receive a grade in this course.** The date is written above, be sure to mark your calendar. If you miss the midterm exam for a verifiable medical/legal/sports reason, the weight of the **final** exam will increase accordingly. Excuses for missed exams must be pre-approved by Prof. Xie except when it is impossible in an emergency situation. All documentation for proving the claimed excuses must be provided to Prof. Xie within two working days of the student's return to campus. Failure to comply with any of the above will result in a **zero grade** for that exam.
- Regrade Request: If you would like a regrade of your midterm exam, please make a request in writing to your TA **within one week** after the exam is returned. You need to state your reason for requesting a regrade clearly. It will be at the discretion of the TAs whether your exam grade will be changed. **There will be no regrading for final.**

- Grade Distribution: Total grade will be curved. However, I will not curve individual exam grades. I will offer you some statistics to help you gauge how you are doing in class after each exam.
- Academic Dishonesty: Students are expected to do their own work, as outlined in the UCSD policy on Academic Integrity published in the UCSD General Catalog. Cheating will not be tolerated, and any student who engages in suspicious conduct will be confronted and subjected to the disciplinary process. Students found guilty of academic misconduct will receive a failing grade on the exam and/or in the entire course. They may also be suspended from UCSD.

Topic Outline

Part 6: Macroeconomics: Issues and Data

Chapter 16: Spending, Income and GDP

Chapter 17: Inflation and the Price Level

Chapter 18: Wages and Unemployment

Part 7: The Economy in the Long-Run

Chapter 19: Economic Growth

Chapter 20: Savings, Capital Formation, and Financial Markets

Chapter 21: The Financial System, Money, and Prices

Part 8: The Economy in the Short-Run

Chapter 22: Short-Term Fluctuations

Chapter 23: Spending and Output in the Short Run

Chapter 24: Stabilizing the Economy: The Role of the Federal Reserve

Chapter 25: Aggregate Demand and Aggregate Supply

Chapter 26: Macroeconomic Policy

Part 9: International Economy

Chapter 27: Exchange Rates and the Open Economy

Chapter 28: International Capital Flows (p. 824-831)

Class Attendance:

It is very important to come to every class. We will cover materials not in the textbook. If you miss a class, please get the notes and any information provided in class from your classmates. My teaching notes cannot be provided to students.

Discussion Sessions:

There are weekly discussion sessions led by teaching assistants. **The first discussion session will start on the second week of the quarter.** Although you are not required to attend these sessions, you can get additional help on class materials from them. TAs will explain problems similar to those that you will see on exams and can also answer your questions.

Add/Drop Policy:

The instructor will not sign add cards. For any question regarding waitlist procedures, please check Triton Link or go to the Economics Student Services in Sequoyah Hall 245.