



# Welcome to Principles of Macroeconomics!

ECON 3

# \*What is macroeconomics?

## \*In Ancient Greek:

- micro = small
- macro = large
- economia = management of the household or family

## \*In English:

- Microeconomics = the study of how individuals or small groups of people manage limited resources.
- Macroeconomics = the study of how large groups of people (i.e. whole economies) manage limited resources.

# Economics 3 – Principles of Macroeconomics, Winter 2017

Lectures: MWF

Center 101

Professor: Valerie Ramey

Office: Department of Economics, Room 326

Class Email: [econ3ramey@gmail.com](mailto:econ3ramey@gmail.com)

(We will not answer questions about discussion section problems. You must go to section to discuss answers to those problems.)

Office Hours: Tues., 1:30 pm – 3:15 pm

# Who am I?

- Professor of Economics – at UCSD since 1987.
- BA from University of Arizona, with a double major in Economics and Spanish.
- I worked for Toyota at their US headquarters in Marketing Planning after I graduated.
- I then went back to get my PhD in Economics from Stanford.
- Main area of research is macroeconomics. My current specialties are the effects of government spending and giant oil & gas discoveries.
- I am a Research Associate of the National Bureau of Economic Research (NBER).
- I serve on several Federal government committees, such as the Panel of Economic Advisers for the Congressional Budget Office.

# REQUIRED MATERIALS FOR THE CLASS

1. The UCSD custom edition of Principles of Economics, 6<sup>th</sup> Edition, by Frank, Robert H., Ben S. Bernanke, Kate Antonovics and Ori Heffetz (2015), *Principles of Economics*, 6<sup>th</sup> edition, McGraw-Hill Irwin. There is a custom version of this textbook available at the UCSD Bookstore for \$106.67. This book is also used for Econ 1 and Econ 2. (Other editions are acceptable substitutes.)
2. **i>clicker or i>clicker2** (if you want the clicker to count for your grade)
3. A **nonprogrammable scientific calculator**. (Example, TI-30XA available online for around \$9.)
4. **Materials** that will be posted on [tritoned.ucsd.edu](http://tritoned.ucsd.edu).

## **COURSE WEB PAGE:**

tritoned.ucsd.edu.

ALL course information, quizzes, and materials including a copy of this syllabus and the TAs' office hours and contact information are posted on the class web page.

Register your clicker for this class on tritoned or else your clicks won't count!

There will also be a video podcast available at:

<http://podcast.ucsd.edu/>



## Optional Material

McGraw-Hill LearnSmart

<http://connect.mheducation.com/class/v-ramey-winter-2017>

*Customer Support (students and instructors) 800 331 5094 FREE*

There is **no** credit given for doing LearnSmart. This extra resource is being made available to you in case you have already purchased the access code and want to use LearnSmart.

# Why Use Clickers?

- “College is a place where a professor’s lecture notes go straight to the students’ lecture notes, without passing through the brains of either.”

(quote by either Mark Twain or Edwin Slosson)

- Serious studies have found that active engagement with the material in the classroom increases learning (e.g. How People Learn from the National Academies Press).
- Our alumni in the financial industry and other sectors tell us that our students don’t interview as well those from private universities because they are not used to “speaking the lingo.” I think that our students are disadvantaged by the large classes in economics because they don’t have a chance to have discussions in class. (Think about your language classes – no one can learn to speak a language well by hearing someone lecture on its grammatical structure and then writing down verb conjugations on paper!)



## **How Clickers/“Peer Instruction” Help**

- They engage you in the material as it is being presented because you have to answer questions using clickers.
- They encourage you to have meaningful discussions with your peers (i.e. fellow students) in class.
- When you explain your answer to a fellow student, you get a chance to “speak the lingo” of your discipline.
- When your fellow student explains an answer to you, you may understand the material better than when the professor explains it.

# Clicker Routine

1. Presentation by professor of key concepts.
2. Professor stops and poses a multiple choice question based on material just presented.
  - A. Think about the question by yourself and vote solo with no discussion.
  - B. Discuss the answers with your classmates.
    - Practice analyzing, talking about challenging concepts
    - Reach consensus
    - If you have questions, raise your hand and I or the TAs will come around
  - C. Each person in group votes. You must all vote the same.
  - D. Class-wide discussion

## Weekly Routine

1. **Before** coming to class, watch a video or read an article and take quiz (if assigned) and download partial lecture notes for taking notes during class (written or electronic).
2. **During** class, take notes, ask questions, participate in clicker discussion.
3. **Attend** your assigned discussion section (but not the first week). Attendance is recommended, but not required.
4. **Complete** homework assignments on Tritoned (typically one per week).
5. **Keep up** with the latest macroeconomic news.

# Grades

Item	Option 1	Option 2
<b>Homework and Quizzes (on Tritoned)</b> <ul style="list-style-type: none"> <li>the lowest % homework score dropped</li> <li>The lowest 15% of lowest % quiz scores dropped.</li> </ul>	5%	5%
<b>In-Class Clicker discussion questions</b> <ul style="list-style-type: none"> <li>Graded only on participation - at least 75% of time.</li> <li>5 lowest classes automatically dropped</li> </ul>	5%	0%
<b>Midterm #1</b> Wed. Feb. 8: 8:00 - 9:20 pm Peter 108 or Peter 110	20%	20%
<b>Midterm #2</b> Thurs. March 2: 8:00 - 9:20 pm Peter 108 or Peter 110	20%	20%
<b>Final Exam (Cumulative, but with more emphasis on later material)</b>  10 -10:50 class: Fri. March 24, 8 - 11 am  11-11:50 class: Mon. March 20, 11:30-2:30pm	50%	55%

**COURSE GRADE** = max { OPTION 1 , OPTION 2 } (Calculated automatically)

# Academic Integrity

Academic dishonesty will not be tolerated. All suspected cases of academic dishonesty will be reported to the Academic Integrity Coordinator. Students found guilty of academic dishonesty will earn a failing grade for the course in addition to the penalties imposed by the Academic Integrity Review Board.

The following are just a few examples of academic dishonesty:

- Having another student complete an assignment for you or give you answers to specific questions (including homework).
- Using unauthorized materials during an exam.
- Looking at another student's answers during an exam.
- Having someone else take your exam for you.
- Lying about having taken an exam or completed an assignment.

For more information, go to: <http://academicintegrity.ucsd.edu/excel-integrity/define-cheating/index.html>

## ADMINISTRATIVE ISSUES

1. If you need to miss a midterm for a verifiable medical/legal/sports reason, I will up-weight your grades on the other midterm and the final. Failure to notify me promptly that you must miss a midterm will result in a zero grade for that midterm. Unexcused absences will also result in a zero. (If you have a Math 20B second midterm conflict, we will make separate arrangements.)
2. If you arrive late to an exam, I will allow you to take the exam in the time that remains as long as no one has turned in his/ her exam and left the room. Once a classmate has turned in his/her exam, you will earn a zero on the test if you arrive late.
3. UCSD has automated waitlists. If you have any questions regarding adding the class, please refer to Triton Link or contact the undergraduate advisors in Sequoyah Hall 245.



## *Topic Outline*

*Chapter 15: Spending, Income and GDP*

*Chapter 16: Inflation and the Price Level*

*Chapter 17: Wages and Unemployment*

*Chapter 18: Economic Growth*

*Chapter 19: Savings, Capital Formation, and Financial Markets*

*Chapter 20: Money, Prices, and the Financial System*

*Chapter 21: Short-Term Fluctuations*

*Chapter 22: Spending, Output, and Fiscal Policy*




*Chapter 23: Monetary Policy and the Federal Reserve*

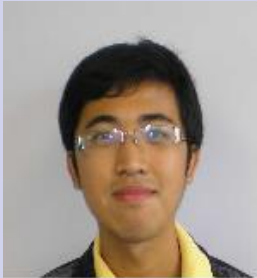


*(skip chapters 24-25)*

*Chapter 26: Exchange Rates, International Trade, and Capital Flows*  
*(we will do as much as time permits)*


**Questions about Syllabus?**

## Teaching Assistants

TA	Photo	Section	Office Hours
Shuning Mao		A01: Monday 8:00p – 8:50p	
Grant Johnson		A02: Tuesday 8:00p-8:50p	
Kevin Kaufmann		A03: Thursday 5:00p – 5:50p	
TBA		A04: Friday 2:00p – 2:50 p	

TA	Photo	Section	Office Hours
Boris Wong		B01: Monday 9:00a– 9:50a	
Alexander Farrell		B02: Monday 12:00 – 12:50p	
Lam Nguyen		B03: Thursday 8:00p-8:50p	
TBA		B04: Friday 9:00a – 9:50a	

# Graders

Graders	Photo	Office Hours
Jessie Wang		
Erin Wolcott	