

Econ 204—Principles of Macroeconomics

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Text

Hubbard, R. Glenn and Anthony Obrien (2009). *Macroeconomics* 3rd edition. Pearson/Prentice Hall.

Learning Objectives

This is an introductory course in macroeconomics. In general, we will learn about important concepts related to how an economy over all functions and the role of public policy in shaping national economic performance. We will investigate several important and timely concepts that we often hear about in the media, including inflation, unemployment, economic growth and international trade. We will spend a substantial amount of time talking about the role of the Federal Reserve Board (Fed)--which conducts *monetary policy*—to influence the economy. We will also talk about what roles the federal government plays in the economy with *fiscal policy*.

Given today's economic climate, macroeconomics is as exciting as it has been in a long, long time. We will spend time talking about the factors that led to the recently ended, including the housing market crisis and the near collapse of financial markets in the fall of 2008. We will look at what roles the Fed, the US Department of Treasury and Presidents Bush and Obama have played in trying to end what some have called the Great Recession.

Student Evaluation

There will be 4 exams, each worth 20 percent of your grade. The exams will not be cumulative, and will strongly emphasize materials we cover in class.

To help you prepare for the exams I will identify select problems from the text for each chapter. I will post the answers to RamCT. These problems will not be collected, but I *strongly* advise you to work on them seriously.

There also will be approximately 5 short writing assignments where I will ask you to apply the concepts we talk about in class to real world economic events. This will be worth 20 percent of your grade. I will provide more information about these 2 page assignments when I assign the first one.

Attendance and Participation

To make this class as good as possible, it is expected and encouraged. However, it is not required.

The first three exams will take place on Fridays. On Friday's without exams our class will be titled "Economics in the news." In this I will lead a discussion on one or two recent news articles that are related to the material we talked about that Monday and Wednesday. I will post links to the news articles on RamCT on Wednesday or Thursday, and I expect you will have read them before class, and to bring a copy of the article to class.

Academic Integrity

The university's expectations and policies will be fully adhered to.

Office Hours

Monday and Wednesday 1:30-2:30 and by appointment

Chapters covered (Exam dates are fixed...they will cover the material we have talked about since the previous exam)

1: Economics: Foundations and models

7: GDP: Measuring total production and income

8: Unemployment and inflation

EXAM 1 (Friday February 10th)

9: Economic growth, the financial system and business cycles

10: Long run economic growth: sources and policies

12: Output and expenditure in the long run

EXAM 2 (Friday March 9th)

13: Money, banks and the Federal Reserve System

14: Monetary policy

EXAM 3 (Friday April 13th)

15: Fiscal Policy

16: Inflation, Unemployment and Federal Reserve Policy

17: Macroeconomics in an open economy (parts of)

18: The international financial system (parts of)

EXAM 4 (Thursday May 7th 7:30-9:30)