

Georgetown University – Summer Program 2019
Principles of Macroeconomics
Instructor: Lawrence Costa

Course Description

This is a typical introductory course examining basic principles of macroeconomics. The material covers three main areas:

1. Certain introductory topics fundamental to the discipline of Economics at large such as the scarcity problem, opportunity cost, production possibilities frontier, and supply and demand analysis
2. Business cycles, by looking at indicators used to assess the state of the economy and the causes of instabilities
3. A thorough discussion of fiscal policy and the public debt as well as monetary policy

Classroom Decorum, Attendance, & Academic Standards

I do not anticipate any problems here but this section is a sort of mandatory disclaimer. Appropriate classroom manners are expected. I do not take attendance but do expect that students will attend all lectures. As for academic standards, any dishonesty will be punished to the fullest extent possible.

Textbook & Required Material

- *Principles of Macroeconomics*, 8th edition, by Gregory Mankiw, ISBN: 978-1-305-97150-9
- You will also need the accompanying MindTap package to complete electronic assignments through the Aplia module.
 - You should have access to MindTap, not just stand-alone Aplia. Cengage is phasing out the stand-alone Aplia site in August (so if you just have that you will lose access midway through the course).

Course Schedule

Part One

1. Introductory Material (chapters 1-3)
2. Markets, Supply, & Demand (chapters 4-6)
3. Markets & Welfare (chapters 7-9)
4. Macroeconomic Data (chapters 10 & 11)

Midterm 1

- Written, in-class, closed book

Part Two

5. Classical Long-run Model *part 1* (chapters 12 & 13)
6. Classical Long-run Model *part 2* (chapters 14 & 15)
7. Money, Banking, Prices, & the Federal Reserve (chapters 16 & 17)

Midterm 2

- Written, in-class, closed book

Part Three

8. Open Economies (chapters 18 & 19)
9. Keynesian Short-run Model *part 1* (chapters 20-22)
10. Keynesian Short-run Model *part 2* (chapters 20-22)

Final

- Written, in-class, closed book

Exams & Assignments

- Two midterms: 25% each
- Final exam: 35%
- Written homework: 5%
 - You will have required written homework although I will not collect/grade it. These are geared to help you prepare written exam questions (that is, skipping them will hinder your exam preparation).
 - I will randomly ask students for answers when I go through homework solutions in class. If you've made no attempt I will penalize your grade (wrong answers will not be penalized). The penalty will typically be no more than 5% of the course grade (but I reserve the right to be a bit harsher if you persistently do not complete assignments).
- Electronic homework assignments through Aplia: 10%
 - These are primarily to help you practice the material (rather than as a means of assessment). They should help prepare you for multiple choice exam questions.