

# Principles of Macroeconomics

## ECO121

Sections: **1 and 2**

Term: **Fall 2021**

Department: **School of Economics**

Credit: **3 Hours**

Meeting time for Section 1: **Tue, Thu 11:00AM-12:15PM Nutting Hall 100**

Meeting time for Section 2: **Tue, Thu 2:00PM-3:15PM Bennett Hall 137**

Learning Modality: **Hybrid and Flipped Class/Active Learning**

Instructor: **Dr. Thomas F. P. Wiesen**

Office: **Winslow Hall 207C**

Office Hours: **3:45pm-5:45pm every Tuesday or via appointment (in-person or Zoom appointments)**

Professor Email: **thomas.wiesen@maine.edu**

TAs: **Tobyn Blatt (tobyn.blatt@maine.edu) & Ben Chouinard (benjamin.chouinard@maine.edu)**



## Class Details

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### Textbook and Materials

6<sup>th</sup> edition of Macroeconomics by Krugman and Wells (MacMillan Learning / Worth Publishers)

Link to Redshelf: <https://redshelf.com/book/1676199/macroeconomics-1676199-9781319320164-paul-krugman-robin-wells>

Link to Amazon: <https://www.amazon.com/Macroeconomics-Paul-Krugman/dp/1319245269>

If you want to do well in the class, you should purchase access to the book. Recommended readings of the textbook chapters will be assigned throughout the semester (see syllabus course calendar). This semester, we will be using the sixth edition of Macroeconomics by Paul Krugman and Robin Wells. This is the newest edition of the textbook and includes extensive coverage of the macroeconomic impacts and policy responses to the coronavirus pandemic and 2020 recession.

The physical paperback print copies of the textbook are quite expensive; new copies on Amazon.com are more than \$200. Thus, I recommend you rent/buy access to the eBook, as opposed to purchasing the physical print textbook. 120-day access to the eBook is \$68.63 on Redshelf. One beneficial feature of Redshelf is its text-to-speech feature, which can read the text aloud like an audiobook.

Please bring a laptop or tablet to class, as these will be necessary to participate in the group activities. The face-to-face classes will primarily consist of group activities that make heavy use of Google's Jamboard. While you can technically access Google's Jamboard with a cell phone, I strongly recommend against using a cell phone since the small screen reduces the functionality of Google's Jamboard.

On test days, you should come to class with a pencil and a calculator. Pens should not be used on the scantron tests, and you will not be allowed to use your cell phone as a calculator (for obvious reasons).

**Course Content**

- Ch1 First Principles:**  
--Individual choice.  
--Individual interactions.  
--Economy-wide interactions.
- Ch2 Economic Models: Trade-offs and Trade:**  
--Production possibilities frontier.  
--Opportunity cost and comparative advantage.  
--The gains from trade.
- Ch3 Supply and Demand:**  
--Quantity demanded, the demand curve, and demand shifters.  
--Quantity supplied, the supply curve, and supply shifters.  
--Market equilibrium.
- Ch5 International Trade:**  
--Sources of comparative advantage.  
--Consumer surplus, producer surplus, and economic welfare.  
--Autarky, free trade, and tariffs.
- Ch6 Macroeconomics: The Big Picture:**  
--Macroeconomics versus microeconomics.  
--The business cycle.  
--Long-run growth, price stability, and trade imbalances.
- Ch7 GDP and the CPI: Tracking the Macroeconomy:**  
--The national income and products account.  
--Calculating Gross Domestic Product (GDP) and what it represents.  
--Real versus nominal GDP.  
--The Consumer Price Index (CPI) and measuring inflation.
- Ch8 Unemployment and Inflation:**  
--Measuring unemployment and labor underutilization.  
--Types of unemployment.  
--Inflation and its effects.
- Ch10 Savings, Investment Spending, and the Financial System:**  
--The savings-investment spending identity.  
--The market for loanable funds
- Ch12 Aggregate Supply and Aggregate Demand:**  
--Aggregate demand and its shifters.  
--Short-run aggregate supply and its shifters.  
--Long-run aggregate supply.  
--Short-run and long-run macroeconomic equilibrium
- Ch13 Fiscal Policy:**  
--Fiscal policy and the AS-AD model.  
--The advantages and disadvantages of fiscal policy.
- Ch14 Money, Banking, and the Federal Reserve System:**  
--What is money?  
--Banking and the money supply.  
--The money multiplier process (multiple deposit creation).  
--Monetary policy tools of the Federal Reserve.
- Ch15 Monetary Policy:**  
--The liquidity preference model of the interest rate.  
--Monetary policy and the AS-AD model.

### **Course Details according to the UMaine Course Catalog**

Principles of macroeconomics and their application to modern economic issues and problems. Analysis of national income and employment; fluctuations in national income; monetary and fiscal policy; control of inflation, unemployment, and growth; and international aspects of macroeconomic performance.

Traditional A-F grading. No prerequisites or corequisites.

### **What to Expect in Class**

This course will utilize a hybrid learning modality. This means that part of the learning/instruction will be online, and a part of the learning/instruction will occur in a live face-to-face classroom on campus. Both online and face-to-face components are required.

The online component will consist of mandatory video lessons on Brightspace and recommended textbook readings. You should watch these video lessons before coming to the face-to-face classes according to the syllabus course calendar. To reiterate, you are required to watch the Brightspace video lessons; if you don't, you will likely not pass. If you want to excel in the class, then you should also do the textbook readings.

The face-to-face component will consist of group activities done in class, which allows you to practice what you learned in the video lessons and textbook readings. The class will be split up into two cohorts: a Tuesday cohort and a Thursday cohort. The Tuesday cohort will attend the live class on Tuesdays and the Thursday cohort will attend the live class on Thursdays according to the course calendar (the exception will be on test days). Note that students in the Thursday cohort will not attend class remotely on Tuesday or vice versa. The group activities done in class will be single day activities. The group activity done on Tuesday will be the same activity done on Thursday. The reason behind splitting the class into a Tuesday cohort and a Thursday cohort is not for social distancing purposes, but rather to make the class size more manageable.

You will utilize Google's Jamboard to complete the weekly group activities. Google's Jamboard is an interactive whiteboard, which you can share with one another (similar to Google Docs or Google Sheets). This will allow everyone in the group to cooperate and contribute to the same Jamboard. Because we will be using Google's Jamboard in class, you should bring a laptop or tablet to class.

### **Grades**

You will be graded on nine weekly in-class group activities, twelve weekly online quizzes, three in-class tests, and one cumulative final exam with the following weights:

Weekly Brightspace Quizzes	20%
Weekly In-class Activities	20%
In-Class Test 1	12%
In-Class Test 2	12%
In-Class Test 3	12%
Cumulative Final Exam	24%

Of the nine activities, your lowest grade will be dropped. Of the twelve quizzes, your lowest grade will be dropped. However, everyone must do all three tests and the final exam (i.e., tests/final exam will NOT be dropped).

The table below gives the grade distributions by overall percentage. These are minimum scores and if need be, I will introduce a “curve.” The curve will consist of lowering the minimum score required for a particular letter grade. For instance, a typical curve may consist of making the minimum percentage for an “A” 92.0% instead of 93.5%. You should in no way depend on the curve since the curve is NOT guaranteed, and if I do implement it, it may be very small. I will not curve individual assignments. All questions regarding grades will be directed to this section in the syllabus. There will be no extra credit in this class.

Overall Percentage	Letter Grade	Transcript GPA points
100 - 93.5%	A	4.00
93.4 - 90.0%	A-	3.67
89.9 - 86.5%	B+	3.33
86.4 - 83.0%	B	3.00
82.9 - 79.5%	B-	2.67
79.4 - 76.0%	C+	2.33
75.9 - 72.5%	C	2.00
72.4 - 69.0%	C-	1.67
68.9 - 65.5%	D+	1.33
65.4 - 62.0%	D	1.00
61.9 - 58.5%	D-	0.67
58.4 - 00.0%	F	0.00

### **Weekly In-Class Group Activities**

There will be nine in-class group activities on the following topics: Economic Core Concepts, Production Possibility Frontiers, Supply & Demand, International Trade, Gross Domestic Product, Unemployment and Inflation, the Market for Loanable Funds, Aggregate Supply & Aggregate Demand, and Monetary Policy. Your lowest activity grade will be dropped. In other words, you can miss one activity and it not impact your grade. **You must come to class to do the activities.** Missing class on an activity day will result in earning a zero for that activity (remember one is dropped) unless there is a legitimate medical or personal emergency. A genuine medical emergency can include (but is not limited to) experiencing COVID-19 symptoms, testing positive for COVID-19, being exposed to someone with COVID-19, or needing to take care of someone with COVID-19. In these cases of legitimate excuses, you can make up the group activity individually outside of class.

You will utilize Google’s Jamboard to do the group activities. Google’s Jamboard is an interactive whiteboard that can be shared with your group members, and multiple students can contribute to the Jamboard simultaneously, thus facilitating active peer-to-peer learning. You should bring a laptop or tablet to class.

These group activities should be thought of as “low stakes” assignments. The professor and teacher’s assistant will guide you through the activities and answer all your questions in-class. These group activities will be open-book, open-note, and will typically be graded for completion. Namely, if you give a genuine and complete attempt at answering all questions, then full credit will be awarded. However, incomplete or nonsense answers will not yield credit.

### **Weekly Online Quizzes**

There will be twelve Brightspace quizzes, one for each chapter covered: Ch1, Ch2, Ch3, Ch5, Ch6, Ch7, Ch8, Ch10, Ch12, Ch13, Ch14, and Ch15. Your lowest quiz grade will be dropped. In other words, you can miss one quiz and it not impact your grade. **No late quizzes will be accepted** unless there is a legitimate medical or personal emergency.

These online quizzes should be thought of as “medium stakes” assignments. Like the activities, the quizzes will be open-book and open-note. But unlike the activities, the quizzes should be done individually, and you’ll be graded on the fraction of questions answered correctly.

### **Tests and Final Exam**

There will be three tests (worth 12% each) and a cumulative final exam at the end of the semester (worth 24%). The tests will be proctored in-class and the final exam will be proctored during the designated final exam period. All three tests and the final exam are required for everyone. I do NOT drop any tests. The tests and final exam will be multiple-choice scantron tests. Test 1 will cover Ch1, Ch2, Ch3, and Ch5. Test 2 will cover Ch6, Ch7, and Ch8. Test 3 will cover Ch10, Ch12, and Ch13. The cumulative final exam will cover Ch14 and Ch15 in addition to all the previously mentioned chapters.

The tests and final exam should be thought of as “high stakes” assignments. The tests and final exam will be closed-book and closed-note.

### **The “Flipped Class” Course Design**

In a traditional lecture-based course, your first exposure to the content is in class as the professor lectures. Then, you practice the content outside of class via homework. However, if you’ve ever been working on a homework assignment and said to yourself “this made sense in class,” then you know questions often arise while practicing the content. Wouldn’t it be nice to have the professor or TA by your side while doing the homework to have your questions answered in real time?

The “flipped class” design addresses that issue. As the name suggests, the out-of-class aspect of homework and the in-class aspect of lectures are reversed. In this flipped class, your first exposure to the content is outside of class via the required video lessons and the recommended textbook readings. Then, you practice the content in class via the group activities.

## **Class Policies**

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### **Late Policy**

**Late activities and quizzes are usually not accepted. However, if a genuine medical or personal emergency causes you to miss a quiz or activity, please let me know as soon as possible.** A genuine medical emergency can include (but is not limited to) experiencing COVID-19 symptoms, testing positive for COVID-19, being exposed to someone with COVID-19, or needing to take care of someone with COVID-19. Generally, arrangements to make up a quiz or activity individually should be done soon after the missed due date. If an assignment was due at the beginning (or middle) of the semester, I will not allow you to make it up at the end of the semester.

### **Attendance**

You are expected to attend class according to the syllabus course calendar and according to your assigned cohort. The Tuesday cohort will only attend class on Tuesdays, and the Thursday cohort will only attend class on Thursdays. The exception is when we have a test; everyone will take the test on the same day.

Although you are generally expected to attend class, you should stay home if you are sick. One of the societal changes due to the COVID-19 pandemic is to alter expectations of working or attending school when ill. **If you have a bad cough, have a fever, are nauseous, or are generally feeling under the weather, please stay home.** For obvious public health reasons, we do not want sick students in our face-to-face classes. Remember that your lowest activity grade is dropped. If you are sick during a test, let me know, and we will schedule a time for you to make up the test.

### **Classroom conduct**

You are expected to act professionally. This expectation includes, but is not limited to: being quiet when others are speaking, silencing your cell phone, respecting other students, respecting the instructor, and asking questions by raising one's hand. If you are acting disorderly and impeding other students' ability to learn, I reserve the right to ask you to leave the classroom.

Because group activities are a major component of this course, you should respect the opinions of others and treat your classmates as you would like to be treated. In order for successful peer-to-peer learning to take place, there needs to be an atmosphere of respect and inclusivity. Even if your groupmate suggests a "wrong" answer, you should still respect their intellect and input.

### **Office Hours**

My office is located on the second floor of Winslow Hall room 207C. My official office hours are listed on the first page of this syllabus. If those times do not work for you, just send me an email and we can set up an appointment for a Zoom or in-person meeting. Please do not hesitate to ask for a meeting appointment. I am generally available in the afternoons and early evenings. Feel free to use these office hours to come see me and ask questions.

### **Help from the Teaching Assistants (TAs) and the Econ Lab**

In addition to contacting the professor, you can also email the TAs Tobyn Blatt (tobyn.blatt@maine.edu) and Ben Chouinard (benjamin.chouinard@maine.edu) for content related questions.

The Econ Lab, located in Winslow Hall, provides students with a place to learn, gain assistance with introductory economics courses, receive advising support, and interact with other students. It is a great place to get tutoring or help with your assignments in a principles class like ours. It is staffed by teaching assistants who are eager to help you learn. It is open Monday through Thursday 10am-noon and 2pm-4pm. The TAs for our class will be there during specific times (see the link below). While anyone staffing the Econ Lab can probably answer your questions, I strongly recommend you go to the Econ Lab when our TAs are there. No appointment is needed to use the Econ Lab. However, sending the TAs an email to let them know you are coming is a good courtesy. Additional information and the TAs' schedule can be found at the following link.

<https://umaine.edu/soe/economics-lab/>

### Class Communication

I will heavily use Brightspace to communicate announcements and distribute course materials. I strongly recommend you set up your Brightspace settings to automatically email you when a new announcement is posted. It's a good habit to periodically check Brightspace and your UMaine email. I'll occasionally give reminders for upcoming due dates. But it is your responsibility to stay on top of the syllabus course calendar.

### Syllabus

This syllabus should be considered a contract between me (the professor) and you (the student). However, there may come a time when a change to the syllabus becomes necessary. In such an event, the change will be announced in class and posted online.

## Syllabus Course Calendar

			<b><u>Sunday, August 29</u></b> By 4pm, do survey for Tuesday/Thursday cohort preference.
<b><u>Monday, August 30</u></b>	<b><u>Tuesday, August 31</u></b> Tuesday cohort meets for course introduction.	<b><u>Thursday, September 2</u></b> Thursday cohort meets for course introduction.	<b><u>Sunday, September 5</u></b>
<b><u>Monday, September 6</u></b> Watch Ch1 video lessons (required) & read Ch1 in book (suggested).	<b><u>Tuesday, September 7</u></b> Tuesday cohort meets and does Economic Core Concepts activity.	<b><u>Thursday, September 9</u></b> Thursday cohort meets and does Economic Core Concepts activity.	<b><u>Sunday, September 12</u></b> Ch1 Quiz due at 11:59pm.
<b><u>Monday, September 13</u></b> Watch Ch2 video lessons (required) & read Ch2 in book (suggested).	<b><u>Tuesday, September 14</u></b> Tuesday cohort meets and does PPF activity.	<b><u>Thursday, September 16</u></b> Thursday cohort meets and does PPF activity.	<b><u>Sunday, September 19</u></b> Ch2 Quiz due at 11:59pm.
<b><u>Monday, September 20</u></b> Watch Ch3 video lessons (required) & read Ch3 in book (suggested).	<b><u>Tuesday, September 21</u></b> Tuesday cohort meets and does Supply & Demand activity.	<b><u>Thursday, September 23</u></b> Thursday cohort meets and does Supply & Demand activity.	<b><u>Sunday, September 26</u></b> Ch3 Quiz due at 11:59pm.
<b><u>Monday, September 27</u></b> Watch Ch5 video lessons (required) & read Ch5 in book (suggested).	<b><u>Tuesday, September 28</u></b> Tuesday cohort meets and does International Trade activity.	<b><u>Thursday, September 30</u></b> Thursday cohort meets and does International Trade activity.	<b><u>Sunday, October 3</u></b> Ch5 Quiz due at 11:59pm.
<b><u>Monday, October 4</u></b>	<b><u>Tuesday, October 5</u></b> No meeting.*	<b><u>Thursday, October 7</u></b> In-class Test 1. <b>Both cohorts meet this day.**</b>	<b><u>Sunday, October 10</u></b>
<b><u>Monday, October 11</u></b> Watch Ch6 video lessons (required) & read Ch6 in book (suggested).	<b><u>Tuesday, October 12</u></b> No meeting. University closed for Fall Break.	<b><u>Thursday, October 14</u></b> No meeting.*	<b><u>Sunday, October 17</u></b> Ch6 Quiz due at 11:59pm.



<b><u>Monday, October 18</u></b> Watch Ch7 video lessons (required) & read Ch7 in book (suggested).	<b><u>Tuesday, October 19</u></b> Thursday cohort meets and does GDP activity.	<b><u>Thursday, October 21</u></b> Thursday cohort meets and does GDP activity.	<b><u>Sunday, October 24</u></b> Ch7 Quiz due at 11:59pm.
<b><u>Monday, October 25</u></b> Watch Ch8 video lessons (required) & read Ch8 in book (suggested).	<b><u>Tuesday, October 26</u></b> Tuesday cohort meets and does Unemployment & Inflation activity.	<b><u>Thursday, October 28</u></b> Thursday cohort meets and does Unemployment & Inflation activity.	<b><u>Sunday, October 31</u></b> Ch8 Quiz due at 11:59pm
<b><u>Monday, November 1</u></b> Watch Ch10 video lessons (required) & read Ch10 in book (suggested).	<b><u>Tuesday, November 2</u></b> Tuesday cohort meets and does Market for Loanable Funds activity.	<b><u>Thursday, November 4</u></b> Thursday cohort meets and does Market for Loanable Funds activity.	<b><u>Sunday, November 7</u></b> Ch10 Quiz due at 11:59pm.
<b><u>Monday, November 8</u></b>	<b><u>Tuesday, November 9</u></b> In-class Test 2. <b>Both cohorts meet this day.**</b>	<b><u>Thursday, November 11</u></b> No meeting. University closed for Veterans Day.	<b><u>Sunday, November 14</u></b>
<b><u>Monday, November 15</u></b> Watch Ch12 and Ch13 video lessons (required). Read Ch12 and Ch13 in book (suggested).***	<b><u>Tuesday, November 16</u></b> Tuesday cohort meets and does AS-AD activity.	<b><u>Thursday, November 18</u></b> Thursday cohort meets and does AS-AD activity.	<b><u>Sunday, November 21</u></b> Ch12 Quiz due at 11:59pm. Ch13 Quiz due at 11:59pm.***
<b><u>Monday, November 22</u></b> Watch Ch14 video lessons (required) & read Ch14 in book (suggested).	<b><u>Tuesday, November 23</u></b> No meeting.*	<b><u>Thursday, November 25</u></b> No meeting. University closed for Thanksgiving Break.	<b><u>Sunday, November 28</u></b> Ch14 Quiz due at 11:59pm.
<b><u>Monday, November 29</u></b>	<b><u>Tuesday, November 30</u></b> No meeting*	<b><u>Thursday, December 2</u></b> In-class Test 3. <b>Both cohorts meet this day.**</b>	<b><u>Sunday, December 5</u></b>
<b><u>Monday, December 6</u></b> Watch Ch15 video lessons (required) & read Ch15 in book (suggested).	<b><u>Tuesday, December 7</u></b> Tuesday cohort meets and does Monetary Policy activity.	<b><u>Thursday, December 9</u></b> Thursday cohort meets and does Monetary Policy activity.	<b><u>Sunday, December 12</u></b> Ch15 Quiz due at 11:59pm.
<b><u>Monday, December 13</u></b>	<b><u>Tuesday, December 14</u></b> In-Person Cumulative Final Exam for section 1 2:45-4:45pm.	<b><u>Thursday, December 16</u></b> In-Person Cumulative Final Exam for section 2 12:15-2:15pm.	

\*There are a few days built into the syllabus course calendar when we do not have class. I strongly recommend you use these days to study and catch up on the material. These days typically coincide with weeks when we have a test or a holiday. For example, we will not meet the Tuesday before Thanksgiving as many students leave Orono for the entire Thanksgiving week. However, assignments may still be due on weeks when we do not meet. For example, The Ch6 Quiz is still due on Sunday, October 17<sup>th</sup> and the Ch14 Quiz is still due on Sunday, November 28<sup>th</sup>.

\*\*Both cohorts should meet on the same day for the in-person tests. This includes October 7<sup>th</sup> for test 1, November 9<sup>th</sup> for test 2, and December 2<sup>nd</sup> for test 3.

\*\*\*Notice that we cover two chapters during the week of November 15<sup>th</sup>. The Ch12 and Ch13 Brightspace Quizzes are both due on Sunday, November 21<sup>st</sup>.



# University Policies

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## **University Academic Honesty Statement**

Academic honesty is very important. It is dishonest to cheat on exams, to copy term papers, to submit papers written by another person, to fake experimental results, or to copy or reword parts of books or articles into your own papers without appropriately citing the source. Students committing or aiding in any of these violations may be given failing grades for an assignment or for an entire course, at the discretion of the instructor. In addition to any academic action taken by an instructor, these violations are also subject to action under the University of Maine Student Conduct Code. The maximum possible sanction under the student conduct code is dismissal from the University. Please see the University of Maine System's Academic Integrity Policy listed in the Board Policy Manual as Policy 314:

<https://www.maine.edu/board-of-trustees/policy-manual/section-314/>

## **University Students Accessibility Services Statement**

If you have a disability for which you may be requesting an accommodation, please contact Student Accessibility Services, 121 East Annex, 581-2319, as early as possible in the term. Students who have already been approved for accommodations by SAS and have a current accommodation letter should meet with me, Thomas Wiesen, privately as soon as possible.

## **Course Schedule Disclaimer (Disruption Clause)**

In the event of an extended disruption of normal classroom activities (due to COVID-19 or other long-term disruptions), the format for this course may be modified to enable its completion within its programmed time frame. In that event, you will be provided an addendum to the syllabus that will supersede this version.

## **Observance of Religious Holidays/Events**

The University of Maine recognizes that when students are observing significant religious holidays, some may be unable to attend classes or labs, study, take tests, or work on other assignments. If they provide adequate notice (at least one week and longer if at all possible), these students are allowed to make up course requirements as long as this effort does not create an unreasonable burden upon the instructor, department, or University. At the discretion of the instructor, such coursework could be due before or after the examination or assignment. No adverse or prejudicial effects shall result to a student's grade for the examination, study, or course requirement on the day of religious observance. The student shall not be marked absent from the class due to observing a significant religious holiday. In the case of an internship or clinical, students should refer to the applicable policy in place by the employer or site.

## **Sexual Discrimination Reporting**

The University of Maine is committed to making campus a safe place for students. Because of this commitment, if you tell a teacher about an experience of sexual assault, sexual harassment, stalking, relationship abuse (dating violence and domestic violence), sexual misconduct or any form of gender discrimination involving members of the campus, your teacher is required to report this information to the campus Office of Sexual Assault & Violence Prevention or the Office of Equal Opportunity. If you want to talk in confidence to someone about an experience of sexual discrimination, please contact these resources:

- For confidential resources on campus: Counseling Center: 207-581-1392 or Cutler Health Center: at 207-581-4000.
- For confidential resources off campus: Rape Response Services: 1-800-871-7741 or Partners for Peace: 1-800-863-9909.
- Other resources: The resources listed below can offer support but may have to report the incident to others who can help. For support services on campus: Office of Sexual Assault & Violence Prevention: 207-581-1406, Office of Community Standards: 207-581-1409, University of Maine Police: 207-581-4040 or 911. Or see the OSAVP website for a complete list of services at <https://umaine.edu/titleix/>