Jasminka Ninkovic
Economics
June 2015
Principles of Macroeconomics

When I first started thinking about how to include sustainability in an economics course, a natural choice seemed to be gross domestic product (GDP) – market value of final goods and services produced in a country during specific period of time. GDP is one of the basic concepts student encounter in principles of macroeconomics class. Usually, its growth is presented as a measure of a health of an economy and of living standards. Increased production of goods and services does not take into account its effects on the environment or many other components of well-being. This offers a ground to explore sustainability of the constant growth of GDP as a goal and how economists approach it. Furthermore, interpretation of GDP as a measure of living standard and well-being could be explored and offer additional insights into sustainability and "need" for constant GDP growth.

I will introduce sustainability in class through exploration of two questions:

1. Is long-term growth of GDP sustainable?
2. Should we see GDP growth as a primary goal and measure of well-being?

1. *Is long-term growth of GDP sustainable?*

Subtopic: What doesn't GDP measure? GDP and beyond.

Activities : Students create their own indicator of well-being. Compare it   with the existing categories included in GDP and GPI.

Sources:
http://ec.europa.eu/environment/beyond_gdp/download/factsheets/bgdp-ve-gpi.pdf

 http://ec.europa.eu/environment/beyond_gdp/index_en.html

Subtopic: How economists approach sustainability? Environmental versus ecological economics.

Activities: Read sources and discuss in class

Sources:
http://www.ase.tufts.edu/gdae/education_materials/modules.html#macmeasurement2

2. *Should we see GDP growth as a primary goal and measure of well-being?*

Activities: Students conduct interviews about each other's material needs and how well they are satisfied. Also, they answer questions on how they value experiences. Goal is to see what provides long-lasting source of contentment and happiness. Results are presented in class to explore if common threads are present. What conclusions can be made on the basis of these answers? How are these related to growing GDP as a goal?

Sources:
 http://worldhappiness.report/wp-content/uploads/sites/2/2015/04/WHR15.pdf
http://www.oecdbetterlifeindex.org/#/11111111111

Principles of Macroeconomics (Econ 112)
Oxford College of Emory University
History and Social Sciences Division

Instructor: Dr. Jasminka Ninkovic
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Office Hours:

M & W 1:30 pm– 2:30 pm

Textbook and Support Materials:

Required: R. Frank and B. Bernanke, ***Principles of Macroeconomics***, 5th edition, McGraw Hill, 2013 & **Connect access.** Connect will provide students with on-line practice and graded homework assignments.

Recommended: *The Economist*

I personally believe everybody should glance through *The Economist* every week. It is an excellent news source with well-written articles on a wide range of topics. Arguments are well organized and supported with evidence.

Overview of the Course:

The course focuses on the performance of the economy as a whole. Goals of this course are to develop deep understanding of the relevant information on economy and to develop skills to ask and answer questions about economic behavior.

To achieve the above goals students will practice application of core macroeconomic concepts and measures, including comparative advantage, specialization and the gains from trade through team work in class. Students will learn about the components and calculation of economic aggregates, such as GDP, unemployment, inflation, and their relevance. Special emphasis will be put on the relationship between GDP and sustainability. Students will understand distinction between real and nominal variables as well as reasons for this distinction. Further, they will also learn to identify resources for tracking information about the economy. To analyze how economy works, students will use macroeconomic models: circular flow; production possibilities model, aggregate expenditure model, aggregate supply and demand; market for loanable funds and interest rate determination; money market and price level determination.

Expected Student and Teacher Conduct:

Please be respectful toward your classmates and the teacher, honest in your work and prepared for class sessions. If there are any problems or suggestions about the course, please let me know. ***Please do not use electronic devices unless specifically asked by the instructor.***

Honor Code:

Honor code is strictly enforced in this class. Examples of scholastic dishonesty include (but are not limited to) receiving or giving help on exams and plagiarizing or sabotaging another student's work. The usual penalty for violations of honor code is grade F in this course.

Communication and Attendance:

You are responsible for any announcements or assignments made in class.

Your homework assignments and practice assignments will be posted on Connect web-site.

Class documents and other assignments will be posted on Blackboard for this class.

I strongly encourage you to attend class, participate in class discussion, study regularly, and complete assigned readings and assignments in a timely manner.

Goals and Pedagogy of the Course:

There are four important goals in this course:

- Learning economic principles and economic analysis as currently understood by the mainstream economic thought;
- Important goal is to learn to apply course material through development of problem solving skills;
- Another important goal is to acquire skills in working with others as a member of a team
- Acquiring an interest in learning more by asking own questions and seeking answers

The pedagogy in this class aims at engaging students in the learning process on a daily basis. Teacher's role is to facilitate class discussions and lecturing is minimal as a way of acquiring knowledge. Team based learning (TBL) is a pedagogy that puts emphases on collaborative learning in permanent teams. Group work will mainly happen in class in a form of learning activities and readiness assessments. More about TBL at: http://www.youtube.com/watch?feature=player_detailpage&v=GKEeNbey8Wg.

Assessment and Grading Policies:

RA Individual: 9% (1.5% each)
RA Group: 15% (2.5% each)
Exam I: 17.5%, Jun 4th
Exam II: 17.5%, Jun 17th
Final exam: 20% (comprehensive), Jun 26th 8:30 am – 11:00am
Homework: 6 %
Other in Class Assignments/Quizzes, Attendance: 5%
Project "Ask Your Own Question?" 5%
Pear Evaluation; 5%
Bonus points: Other Assignments (LearnSmart, Participation, Events), up to 3%

Learn Smart assignments on Connect will be made available before reading assurance (RA) quizzes to help you understand readings and to learn basic concepts. After RAs, in class we will be working on applications of those concepts and go deeper into the exploration of the material. Homework sets will be assigned as on-line assignments after we have had multiple opportunities to learn the material: through your reading, by practicing the material with Learn Smart, RAs, and applying it to specific problems and cases through application exercises in class. Lowest or one missed homework will not be counted towards your grade. You may discuss Learn Smart and homework with your classmates. The project "Ask Your Own Question?" will help you form your own questions about economy and find ways to answer it. The details about the project will be provided later on Blackboard.

Failure to take a test or RA will lead to a score of zero. No exception will be made except in medical emergencies where the other exams or RAs will be adjusted. Written verification is required in such cases.

Grades are not curved (60-69 is D, 70-79 is C, 80-89 is B and 90 and up is A with pluses and minuses in each range). *Turn-in assignments are due at the beginning of the class. Late assignments will not be accepted. You need to be in the class to submit an assignment.*

Using Connect and Blackboard

Connect is on-line product that contains practice and assignments. Our main communication tool and learning platform will be Blackboard. Please note that if you miss a problem set on Connect for whatever reason, I cannot let you take it once the deadline is past.

Students Athletes, Students with Accommodations and Religious Holidays

If there is an interference with your class schedule because of your athletic commitments or religious reasons, please inform your instructor a.s.a.p. Also, if you have

accommodations for the class, you are expected to bring in a letter from the responsible college institution a.s.a.p.

Reading List and Class Schedule

Unit 1: Introduction & Review (Ch 1, Ch 2, Ch 3) **May 20th, RA 0 on Unit 1**	*Week 1* (May 18 – May 24)
Unit 2: Most Important Macroeconomic Concepts (Ch 4, Ch 5 and Ch 6) May 25th Memorial Day **May 22nd, RA I on Unit 2**	*Week 2* (May 25 – May 31)
Unit 3: Long-run Growth (Ch 7) **Jun 1st , RA II on Unit 3** *Jun 3rdh Midterm I*	*Week 3* (Jun 1 – Jun 7)
Unit 4: Saving and Financial Systems (Ch 8, Ch 9) **Jun 5th , RA III on Unit 4** **Unit 5: Short-term Economic Fluctuations and Policies** (Ch 10, Ch 11, Ch 12) **Jun 10th, RA IV on Unit 5**	*Week 4* (Jun 8 – Jun 14)
Jun 17th Midterm II **Unit 6: Aggregate Demand, Aggregate Supply Model and Economic Policies** (Ch 13 and Ch 14) **Jun 19th, RA V on Unit 6**	*Week 5* (Jun 15 – Jun 21)
Unit 7: The International Economy (Ch 15) **Jun 24th , RA VI on Unit 7**	*Week 6* (Jun 22– Jun 24)

Additional readings will come from newspapers and magazines and will be related to the current economic events. Detailed weekly readings and assignments will be announced on Blackboard.

Note: This syllabus is tentative and the instructor reserves the right to make any changes during the course as deemed necessary. These might include, but are not restricted to, addition or deletion of readings, assignments and changes in the schedule.