

MACROECONOMICS

Economics &202
Room: R 301
Winter 2012

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Office Hours: Daily at 10:30 or after 1:30. My classes are daily at 11:30 and 12:30. Let me know if you are coming by, in case I have a meeting scheduled. By appointment at other times.

Why does the national economy fluctuate up and down? What determines the rate of unemployment, or the rate of inflation; how are they related? Why is the federal budget deficit so large, and is that a problem? Why does the U.S. have a large trade imbalance; is there anything that can be done about that? What are the causes of the recent financial crisis? Is there anything we can do to prevent these crises? These are among the questions we will study in this Macroeconomics course.

We will learn the vocabulary of economics, become familiar with the theories of economic behavior, and study the major governing institutions of the national and international economy. We will analyze important current issues -- such as monetary policy, the federal budget, financial regulation, the value of the U.S. dollar, the effects of free trade agreements. The course will introduce you to differing perspectives and look at how we have gotten to where we are now. Hopefully, you will gain understanding of our economic world and an enhanced ability to critically evaluate events and policies.

TEXTBOOKS

Macroeconomics, Paul Krugman and Robin Wells.

The Price of Civilization, Jeffrey Sachs.

For different perspectives on various issues, I will also assign articles on the current economy, and on policy issues. These articles will be used in class for discussion. I will post the citations for these articles a couple days before we use them, on the MyBC class website.

CLASS SESSIONS

I would like our class time together to be as interactive as possible. Please read the assigned material beforehand, and be prepared to discuss it. Come prepared with questions or comments. Bring questions or discussion of current economic news and events into the classroom. I will be asking you questions, to generate discussion of the readings. Your success in the course partly depends on your active involvement, including class attendance and class participation. Take advantage of office hours.

CLASS REQUIREMENTS

A. Exams

There will be three one-hour exams during the quarter, and a two-hour final exam. Exams will consist primarily of short essay questions. These will have you briefly explain an economic concept, or apply the concept to a situation. Exams will be based on all the reading and lectures for that segment of the course. The exams are only comprehensive in the sense that the material builds on itself.

The one-hour exams will count 75 points toward your final grade, the final will count 100 points. Please do not miss an exam. If an emergency arises and **you notify me beforehand**, and you complete the rest of the course work, you may be able to make up a missed exam at the end of the quarter. This exam will be significantly different than the original, most likely two or three extended essay questions.

B. Response Papers

You will write two short response papers, 3 -- 4 typed pages each. These will be based mainly on your reading in *The Price of Civilization*, along with articles from economics websites about the current economy. They will ask you to summarize, analyze (using our economic concepts) and suggest approaches to current problems. I will clarify the assignments and set some guiding questions a week or so before they are due. Each paper will count 50 points (I will take off 10 points for each class day late.).

You may email a paper to me to show that you completed it on time. But, please **bring a hard copy to me** at the next available opportunity.

C. In-class Team Work

About once a week I will set some questions for you to answer or discuss in teams. We will set these teams up (randomly) early in the quarter. Each team will turn in a summary of your answers, at 5 points an assignment, for 75 points over the course of the quarter. You must be present to get credit for these, they cannot be made up; the point is that you are learning through interaction with your peers.

In the beginning of the quarter these assignments may be problem sets based on the text. They may also focus on our reading in Sachs. The questions may also be based on articles from current news sources you will bring to class (I'll notify you about these on MyBC). You will be prepared to do these assignments if you are keeping up with the class and doing the required reading.

GRADES

Your grade will be based on the number of points you earn:

A 460 - 500	B+ 420 - 439	C+ 360 - 379	D+ 300 - 319
A- 440 - 459	B 400 - 419	C 340 - 359	D 280 - 299
	B- 380 - 399	C- 320 - 339	

I do not allow “extra-credit” assignments. Your grade is based on the quality of your work, not its quantity. If you are unhappy with your grade, increase or improve your studying -- I do take account of improvement in your performance over the course of the quarter.

CLASS SCHEDULE

The following chapter assignments are from your textbooks. There may also be articles (assigned in class) from news and opinion publications. As the quarter goes on, these articles will become a more important part of the required reading.

ME: *Macroeconomics*, Krugman and Wells..

PC: *The Price of Civilization*, Sachs.

WEEK 1 (Jan. 3 – 6)	ME, chapters 6 and 7.
WEEK 2 (Jan. 9 – 13)	ME, chapters 8; PC, chapter 1.
WEEK 3 (Jan. 17 – 20)	ME, 10; PC, chapter 2.
WEEK 4 (Jan. 23 – 27)	ME, 11; PC, chapter 3.
WEEK 5 (Jan. 30 – Feb. 3)	ME, 13; PC, 4.
WEEK 6 (Feb. 6 – 10)	ME, 2; PC, 5.
WEEK 7 (Feb. 13 – 17)	ME, 5; PC, 6.
WEEK 8 (Feb. 21 – 24)	ME, 14; PC, 7 and 8.
WEEK 9 (Feb. 27 – Mar. 2)	ME, 16; PC, 9 and 10.
WEEK 10 (Mar. 5 – 9)	ME, 18; PC, 11.
WEEK 11 (Mar. 12 – 19)	PC, 12 and 13.

EXAMS

One-hour exams: Wednesday, January 25
Friday, February 17.
Monday, March 12.

Papers: Mondays, February 13, and March 5.

Final exam Tuesday, March 20th, 11:30 to 1:30.