

# Syllabus for Econ 2: Principle of Economics Fall 2019

MWF, 2pm-2:50pm, BUNCHE 1209B

Elham Saeidinezhad

**elham@ucla.edu**

Office Hours: Wed- Fri, 4:10pm-5:00pm, Bunche 9386

## 1 Course Description

This course teaches students to be macroeconomists. The course focuses throughout on evidence on the *economy*, from around the world, and from history. It is motivated by questions such as how can we explain what we see in macroeconomic phenomena? The method is to ask important questions first and then to introduce models that help to answer them. Standard tools such as constrained optimization are taught by showing how they give insight into real- world problems. Economics as a discipline is set in a social, political, and ethical context in which institutions matter.

## 2 Textbook

The textbook for this class is a free online Economics textbook called The Economy available at <http://www.core-econ.org/the-economy/>

## 3 Grade Distribution

The composition of the final grade will be roughly as follows:

- Midterm 1 Exam 15%
- Midterm 2 Exam 15%
- Attendance of Weekly Sessions 10%
- Assignment 20%
- Final 40%

## 4 Weekly Section Sessions

There will be no sections in week 1. Attendance of any section is worth one point per week plus one bonus point. If your section falls on a Thursday or Friday of Thanksgiving week, please attend another section in that week.

## 5 Assignment

- Choose **one** of the following countries/regions: U.S, Canada, UK, Switzerland, Japan or European Monetary Union (EMU)
- Using the website FRED <https://fred.stlouisfed.org> for the U.S. or the other countries' central bank website, generate a graph with percentage change in **GDP** on the left axis and the **short-term policy interest rate** on the right axis (*2 points*)
  - More detailed instructions for creating this graph will be made available during discussion session for this graph.
- A financial crisis is often defined as a period when a deterioration in financial conditions lead to a sharp decline in output. Use the graph to **identify** 2008-09 financial crisis. The graph should be from 2007q1-2019q3. (*1 point*)
- Use the graph to describe **what happened to the interest rate** during and immediately after this crisis (*3 point*)
- Do more research to,
  - Explain what **caused** the financial crisis (*7 points*)
  - Explain how the central bank tried to **address the financial crisis** and the extent to which they were **successful** (*7 points*)

Your assignment should not exceed **2 pages in length**, not including references. Higher grades will be awarded for explanations that are detailed and thorough, but well organized so the explanation is clear and easy to read. Foreign language sources are acceptable. You must go beyond Wikipedia though it may be a helpful place to start. Some time will be devoted to the assignment during sections in weeks 6 and 7. No grades will be changed under any circumstances and no discussion will be entered into.

### 5.1 Grading Criteria

1. Identify the Thesis Statement. Does this paper have a thesis statement? Does that thesis statement answer the question put forth in this project? Is the thesis statement clear? Do you understand it?
  - a) No thesis statement: -15
  - b) Thesis statement unrelated to question: -10

2. Supporting Evidence. Examine each paragraph for the information below.
  - a) Identify the topic sentence for each paragraph. This topic sentence (usually the first or second sentence of the paragraph) should resemble a mini-thesis statement. It should contain one idea or concept. The rest of the paragraph must present the evidence that proves that topic sentence (one idea or concept.) Does each paragraph have a topic sentence?
    - If not, -5 for each paragraph.
  - b) Does each paragraph contain just one idea or concept?
    - -5 for each paragraph that does not.
  - c) Does this author use evidence to support his/her argument (thesis statement)?
    - -5 for each paragraph that lacks evidence.
  - d) Has the author provided citations for his/her evidence?
    - -3 for each supporting paragraph that lacks a citation.
3. Examine the paper's format and grammar.
  - a) Does this paper have a beginning (introduction), a middle (body), and an end (conclusion)?
    - If it does not have all three of these, -10
  - b) Examine grammar.
    - -2 for every single violation.
    - If we find more than 5 violations, -15.
  - c) Other considerations
    - i. Does this paper have proper punctuation?
    - ii. Are words spelled correctly?
    - iii. Does the author provide full and complete sentences? There should be no sentence fragments or run-on sentences.
    - iv. Does this paper have consistent verb tense, voice, and third-person usage?
    - v. Are proper nouns capitalized?

## 6 Policy on Missed Exams

-Exams must be taken at their scheduled time. Please note that under no circumstances will a makeup exam be administered if a student misses a midterm. If a student has a valid medical excuse and can provide written documentation of such of an excuse, or if the student has received prior permission (at least one week in advance of the exam) to miss an exam from the instructor, then additional weight will be placed on the final exam.

-Any documentation provided, such as a doctor's note, should clearly state that the student was incapacitated and was therefore unable to take the exam, or faced

a serious impediment that prevented attendance at the exam. A student who misses an exam without a valid, verifiable excuse will receive a zero.

–If due to a verifiable emergency, a student misses the final exam, then that student will be required to take a makeup final exam administered by the department at the officially announced day and time. If a student misses all exams this student will receive an automatic grade of “F”.

## **7 Lectures**

–The material is difficult and cumulative. To be successful in the class it is very important for you to read the relevant material before class.

–On Fridays of each week, we start the class by discussing a relevant news article, typically from FT, WSJ or The Economist. These articles will be posted in the course website a few days prior to Friday.

## **8 Accommodation and Center for Accessible Education**

–Any student with a pre-existing illness or condition who requests special arrangements must (a) qualify under CAE rules for such special arrangements and (b) must take the exam with CAE. Any such arrangements with CAE must be made the first week of classes, or as soon as possible. The instructor must be informed of any such arrangement in the first week of classes.

–For additional information and the qualification conditions of Center for Accessible Education (CAE), please visit their website at <https://www.cae.ucla.edu/>

## **9 Academic Dishonesty**

–Students have an obligation to integrity in all academic work. Submission of test answers to be counted towards the course grade automatically imply a personal pledge that the student has neither given nor received unapproved information about the test, whether by copying answers, exchanging unauthorized prior information, etc. The college may initiate disciplinary proceedings against a student accused of scholastic dishonesty.

–Scholastic dishonesty may involve one or more of the following acts: cheating, plagiarism, and/or falsifying academic records.

–Cheating is the willful giving or receiving of information in an unauthorized manner during an examination, illicitly obtaining examination questions in advance, using someone else’s work for assignments as if it were one’s own, or any other dishonest means of attempting to fulfill the requirements of the course.

–Any cases of cheating will be reported to the Office of the Dean of Students.

–For more details please refer to the Office of the Dean of Students website at <https://www.deanofstudents.ucla.edu/>

## **10 Provisions for Possible Syllabus Revisions**

There may be changes in the assignments and topics. Students are responsible for learning of any changes in the syllabus that are announced during class.

## **11 Tentative Course Outline**

The weekly coverage might be different from this outline as it depends on the progress of the class:

Course Outline		
Date	Topic	Reading
Week 0		
Sept 27th	<i>Brief Overview</i> ; The great depression, golden age and Global Financial Crisis	Unit 17
Week 1		
Sept 30th	Review of feasible set and indifference curves	Unit 3
Oct 2nd	Banks, money, and credit market	Unit 10
Week 2		
Oct 7th	<i>Cont</i> ;	
Week 3		
Oct 14th		
Week 4		
Oct 21st	Midterm 1 Preparation	
Oct 23th	Midterm 1	
Oct 25th	Discussing Monetary Policy Project	
Week 5		
Oct 28th	Economic fluctuations and unemployment	Unit 13
Week 6		
Nov 4th		
Nov 8th	Unemployment and fiscal policy	Unit 14
Week 7		
Nov 11th	<i>Cont</i> ;	
Week 8		
Nov 18th	Midterm 2 Preparation Session	
Nov 20th	Midterm 2	
Nov 22nd		
Week 9		
Nov 25th	Inflation, unemployment and monetary policy	Unit 15
Nov 27th		
Nov 29th	6 Thanksgiving Holiday	
Week 10		
Dec 1st	<i>Cont</i> ;	
Dec 6th		
Final		
December 11th	Cumulative	