



UNIVERSITY OF NEW YORK IN PRAGUE

Course: NP 33207 Macroeconomics (3 semester credits)

Semester: Fall 2014

Prerequisites: C- or better in Microeconomics

Instructor: Dan Stastny

Contact: +420604960329, DStastny@faculty.unyp.cz

Class meets: Mondays 12-3, Thursdays 3-6 pm

Office hours: Thursdays 6-7 pm (or any time by appointment)

Enrolment key: TBA

Turnitin Class ID: 8612554

Turnitin password: UNYPMaF2014

1. Catalogue Description

Study and application of the general economic principles and ways of thinking to the economy-wide phenomena and problems. The goals and problems of high employment, price stability, growth and the balance of payments are analyzed. Introduction to monetary and banking institutions. Application of monetary and fiscal analysis to current domestic and international macroeconomic issues.

2. Course Purpose

The purpose of the course is to introduce macroeconomic issues to students. Emphasis will be laid on the significance of understanding macroeconomics for explaining real-world phenomena and on eradicating numerous myths that plague this field.

3. Required Readings

Cowen, Tyler and Tabarrok, Alex (2010). Modern Principles: Macroeconomics. New York: Worth Publishers.

4. Additional Readings

Frédéric Bastiat (1849). "Candlemaker's Petition". (available on-line at <http://www.econlib.org/library/Bastiat/basSoph3.html>)

Roger Garrison (2001). Time and Money. London: Routledge.

Henry Hazlitt (1996). Economics in One Lesson. San Francisco: Fox & Wilkes.

Steven E. Landsburg (1994). "How Statistics Lie" (chapter 13) in The Armchair Economist. The Free Press.

Ludwig von Mises (1923). Economic calculation in the Socialist Commonwealth. Auburn: Ludwig von Mises Institute. (available on-line at <http://mises.org/econcalc.asp>)

Murray Rothbard (1990). What Has Government Done to Our Money. Auburn, Ludwig von Mises Institute. (available on-line at <http://mises.org/money.asp>)

Murray Rothbard. "Anatomy of the State". (available on-line at <http://www.mises.org/easaran/chap3.asp>)

Julian Simon. "Immigration: The Demographic and Economic Facts". (available on-line at http://www.cato.org/pubs/policy_report/pr-immig.html)

Adam Smith (2002 [1776]). An Inquiry into the Nature and Causes of the Wealth of Nations. IndyPublish.com. (available on-line at <http://www.econlib.org/library/Smith/smWN.html>)

5. Learning Outcomes

Upon the completion of this course, students should be able to:

1. Understand what wealth is and to recognize its sources. Specifically, to:
 - a. Identify the mechanism through which the actions of individuals are mutually coordinated.
 - b. Recognize the significance of capital and its structure.
 - c. Be familiar with the common concept of GDP.
2. Understand what money is. Specifically, to:
 - a. Understand its role and development.
 - b. Understand their relation to prices and inflation.
3. Understand what economic cycles and fluctuations are. Specifically, to:
 - a. Identify their possible causes and consequences.
 - b. Understand the nature of unemployment problem.
4. Understand how their knowledge of the above concepts translates into international level. Specifically, to be familiar with the issue of:
 - a. International trade
 - b. International finance
 - c. International labor migration
5. Understand the principles of government policy.

6. Course Schedule

- 1 Introduction, review of economic principles (chap. 1, 2, 3, 4)
- 2 Wealth
 - 2.1 Measuring Wealth and Well-being (chap. 5)
 - 2.2 Origins of Wealth and Growth (chap. 6)
 - 2.3 Capital and Growth (chap. 7)
 - 2.4 Savings and Investment (chap. 8 and 9)
- 3 Business Fluctuations
 - 3.1 Unemployment (chap. 10)
 - 3.2 Inflation (chap. 11)
 - 3.3 Models of Fluctuations (chap. 12 and 13)
- 4 International Economics
 - 4.1 International Trade (chap. 18)
 - 4.2 International Finance (chap. 19)
- 5 Government

- 5.1 Monetary Policy (chap. 14 and 15)
- 5.2 Government Policy (chap. 16 and 17)
- 5.3 Economics of Government

7. Course Requirements and Grading

Grade Determination Weights

Mid-term Examination	30%
Essay	15%
Final Examination	45%
Class Attendance and Participation	10%

- **Participation**

Participation and contribution to class discussion can positively affect student's grade. Students are allowed to miss four classes without any penalty. Beyond that, each missed class means lower participation grade regardless of the reason of the absence. Students are reminded not to approach the instructor for copies of the previous week's materials during immediately before, during, or immediately after class, and are expected to collect materials from their classmates or to arrange consultation with the instructor.

- **Quizzes**

Short quizzes will be given to students irregularly throughout the semester to review the topics last discussed in the class. They give students a chance to earn extra points to support their participation score and may be an important factor in granting a make-up to a student who happens to need one.

- **Mid-term Examination**

A written examination covering the first chapter of the course content (see above).

- **Economic Nonsense Essay**

Students are supposed to choose an area of the economic theory which in their view is most often at variance with economic policy, or public and lay opinion. They should illustrate this by selecting a quote of a popular person (a politician, actor, journalist or even their teacher) and showing that the statement contradicts economic theory (and thus can be considered "economic nonsense"). Students are encouraged to properly document both contrasting views (use textbook citations etc.).

The essay should vary in length between 800 and 1200 words and should be submitted at turnitin.com no later than on the last work day of the last week of the classes. Students are advised to use a MS Word paper template available at the course web page. In order to successfully submit papers, you need to know the class ID and an enrollment password (see top of the syllabus). If never used before, students have to create a student account at turnitin.com (see instruction video available at the course web page).

The essay will be graded according to the choice of the topic (originality), its structure and format, and, most importantly, on the arguments used.

- **Final Examination**

A comprehensive examination will be administered at the end of the course. Students' knowledge subject to examination comprises *all* topics covered during lectures throughout the whole course including all home assignment and class discussions.

Grading Scale:

Letter Grade	Percent (%)	Generally Accepted Meaning
A	95-100	Outstanding work
A-	90-94	
B+	87-89	Good work, distinctly above the average
B	83-86	
B-	80-82	
C+	77-79	Acceptable Work
C	73-76	
C-	70-72	
D+	67-69	Work that is significantly below average
D	63-66	
D-	60-62	
F	0-59	Work that does not meet the minimum standards for passing the course

8. Key UNYP Policies

Attendance:

- It is your responsibility to show up to class on time. If you are late you will be marked as absent for that hour. **If you miss more than 12 (twelve) hours of class, for any reason, you will automatically fail the entire course. Pay strict attention to this. The class policy is standard UNYP policy.**

Academic honesty:

- The University's rules on academic dishonesty (e.g. cheating, plagiarism, submitting false information) will be strictly enforced. Please familiarize yourself with the STUDENT HONOUR CODE or ask your instructor for clarification.
- For examinations: copying from your neighbor, speaking to another student, using a phone or anything similar will result in you failing the test or quiz. On written papers properly note your sources with academic citations. Cutting and pasting from the internet may be considered plagiarism. If you have questions about this, please consult the instructor.

9. General Requirements

- Written assignments must use appropriate format style. (Consult English Composition Handbook.)

- Students are NOT automatically entitled to take a make-up exam. Make-ups are granted by the instructor on the ground of a reasonable excuse. (Simply missing an exam is not one of them.) When granted, they will be given AFTER the final exam at times and places agreed upon individually.
- In situations where a student is unable to attend a class meeting, he or she is responsible for catching-up with all topics covered or assigned during the missed class.
- In the event of illness or emergency, students must contact the instructor IN ADVANCE to determine whether special arrangements are possible.

10. European Credit Transfer and Accumulation System (ECTS)

The students that complete the course will receive 6 ECTS credits or 3 American credits. One ECTS credit corresponds to 25-30 hours of work. For comparison, 1 American credit hour equals approximately 2 ECTS credits.

For this course, students are expected to spend time in the following course-related activities:

Class lectures and exams	45 hours
Reading class related material	50 hours
Exam preparations	25 hours
Term paper preparation	30 hours
TOTAL	150 hours

11. Technology Expectations

Assignments are to be word-processed. Continuing and regular use of UNYP e-mail is expected.

Revised September 2014, Dan Stastny