

University of Florida
Food and Resource Economics Department

AEB 3281 – Agricultural Macroeconomics

Fall Term 2007

Section: 8084
3 Credit Hours

M W F 1:55pm to 2:45pm
Classroom: NZH (Newins-Ziegler Hall) 112

Instructor: Mikael Sandberg
Office: 1193 McCarty A
Phone: 392-1826 ext. 408
Office Hours: Mon & Wed 3:00pm – 4:30pm
Thurs 9:30am – 12:00pm
(These represents times when I should be available, however, feel free to drop by anytime. If I am available, I will gladly meet with you. You can also call or e-mail me for an appointment.)
E-mail: sandberg@ufl.edu *(please indicate in which class you are enrolled)*

FRE Program Assistant: Nancy Baker; 1197 McCarty Hall A; 392-1826 ext. 210

Required Text: *Macroeconomics* 6th edition, by N. Gregory Mankiw, Worth Publishers, 2007.
ISBN: 0-7167-6213-7.

Course Description: An introduction to the world economy from a macroeconomic perspective. Focuses on the linkages arising from international trade and capital flows in the agricultural sector.

...which means: This is an *intermediate* macroeconomic *theory* course. This course is designed to familiarize students with the behavior of the economy as an aggregate unit and the theories (and models) explaining over-all economic performance. The focus is on understanding underlying relationships and to provide proofs as to why they exist. Where appropriate, this course emphasizes the interrelatedness of national economies with respect to macroeconomic policies, trade flows, international capital movements, exchange rates, and economic performance.

Needless to say, this class has little to do with actual agriculture, agricultural policy, marketing or management. Thus, this class might present some challenges (but also opportunities) for students in that it is fairly different from the rest of the courses in the FRE curriculum.

Prerequisites: *ECO 2013: Principles of Macroeconomics*, or the equivalent. It is further assumed that students are comfortable with college algebra and graphs.

Tentative Course Outline:*(The instructor reserves the right to change this outline as appropriate)*

- I. Basic Macroeconomic Foundations and Statistics**
Ch 2: The Data of Macroeconomics
- II. Long-run Analysis: Classical Macroeconomics**
Ch 3: National Income
Ch 4: Money and Inflation
Ch 5: The Open Economy
- III. Business Cycles: Keynesian Macroeconomics**
Ch 9: Introduction to Economic Fluctuations
Ch 10: Aggregate Demand I: Building the IS-LM Model
Ch 11: Aggregate Demand II: Applying the IS-LM Model
Ch 12: The Open Economy Revisited: The Mundell-Fleming Model
The Workings of the IMF and the World Bank (not in the textbook)

At the end of each chapter you will find exercises labeled “Questions for Review” and “Problems and Applications.” Some of these are very good and will greatly help you in understanding the material. Below you will find a list of recommended exercises associated with each chapter. The solutions can be found on the WebCT web-page or on reserve in the library. Note: these exercises are not to be turned in; rather they are intended to help you learn the material.

Chapter	Page	Questions for Review	Problems and Applications
Chapter 2 The Data of Macroeconomics	40	2	2, 4, 6
Chapter 3 National Income	73	1, 6, 7, 8	7, 9, 10
Chapter 4 Money and Inflation	110	1, 2, 3, 4, 5, 7	2, 5
Chapter 5 The Open Economy	147	1, 2, 3, 4	2, 3, 4, 5, 7
Chapter 9 Introduction to Economic Fluctuations	277	1, 3, 4	2, 3 (part b only)
Chapter 10 Aggregate Demand I: Building the IS-LM Model	301	2, 3, 4	1, 2, 5
Chapter 11 Aggregate Demand II: Applying the IS-LM Model	327	2, 3	1, 3, 5, 6
Chapter 12 The Open Economy Revisited: The Mundell-Fleming Model	365	1, 2, 3, 4	2, 3, 4
Chapter 12 Appendix A Short-Run Model of the Large Open Economy	372		1

Grades: Your final grade for this course will be based on the following:

200 <i>possible</i> points	Regular Exams (the sum of your two (2) highest exam scores out of the <i>first</i> three (3) exams)
100 <i>possible</i> points	Final Exam
40 <i>possible</i> points	Current Event Reports
60 <i>possible</i> points	Homework Assignments
Total: 400 <i>possible</i> points	

Grades will have the following benchmarks out of the 400 possible grade points:

A	(≥ 360)	C	(280 - 307)
B+	(348 - 359)	D+	(268 - 279)
B	(320 - 347)	D	(240 - 267)
C+	(308 - 319)	E	(≤ 239)

(note that the grades follow the conventional 90 % for an A, 80 % for B etc.). The instructor reserves the right to assign additional subjective points at the end of the semester as appropriate.

Grading is not a negotiation process! The grade you get on an exam or an assignment is not a starting point for further negotiation. The exception is of course if I made a mistake in grading your exam or assignment, in which case I will gladly give you the correct points.

Exams: There will be four (4) in-class exams, including the final exam. Each exam is worth 100 points (i.e the final exam is simply just the 4th exam). The exams will consist of combinations of multiple choice and short-answer/problem-solving questions.

The exams are closed book and closed notes. You may need a calculator for the exams. However, graphing calculators, cell phones, laptops or similar devices are not allowed. Sharing calculators during an exam is not allowed.

When calculating your final grade, the lowest test score out of the *first* three (3) exams will be dropped. *So if you miss any of the first three (3) exams, for whatever reason, you will get a score of zero (0) for that exam and that particular score will consequently be dropped.* This policy is to help you out if something unforeseen happens or for any other reasons you are not able to perform to your potential. Hence, it is to your benefit to take all four exams. **Note: the Final Exam cannot be dropped.**

Exam Dates:

- Exam 1: September 19**
- Exam 2: October 10**
- Exam 3: October 31**
- Final Exam: December 11 10:00am – 12:00pm [Exam group 11B]**

You should plan to be present on these dates. The instructor reserves the right to change these dates in the case of unforeseen circumstances. **Early or late exams are not given,** so do not plan vacation trips or family engagements on these dates.

Make-Up Exams: Make-up exams are generally *not* given. A car not starting, family obligations, an alarm clock malfunctioning, work requirements, vacation trips, job interviews etc do not warrant make-up exams. University athletes, please visit with me as soon as possible if there is a conflict.

Once the exams are graded, the results are posted on WebCT. Your graded exams will NOT be returned to you. However, you are more than welcome to come by my office to look over your exam and to discuss any questions you might have.

Current Event Reports: Four (4) Current Event Reports are due during the semester. Each report is worth 10 points. **These reports must be typed, double spaced, and checked for grammar and spelling.** Handwritten reports are *not* accepted. Each report should be at least 2 typed pages in length. The *Current Event Reports* are individual assignments. Turning in the same assignment as some other student in class constitutes cheating and will be treated as such.

For each report, you are to find two (2) recent news articles, either in print-press (for example The New York Times or the Wall Street Journal etc) or online (for example www.cnn.com or news.yahoo.com etc) pertaining to some *macroeconomic issues*. *The articles you chose MUST NOT be more than 30 days old at the time of submission of your paper.* Papers using older articles will be given a grade of 0.

Each *Current Event Report* has three (3) components.

First, provide a summary (typed and double spaced) of the articles *in your own words* (just copying sentences from the article is plagiarism and is NOT considered a summary). You must also include the full reference information for your article (i.e. author/source and date of publication).

Second, provide an analysis (typed and double spaced) of how the articles relate to the material covered in class. Be sure to address how the tools/concepts discussed in class pertain to your articles and what concepts are illustrated by the articles. Feel free to draw your own conclusions based on what we have talked about in class.

Third, attach a photocopy (or print-out) of the actual articles.

The Current Event Reports are due NO LATER THAN the day of each exam. No late submissions are accepted for ANY reason. Thus, early submissions are encouraged. If you are to miss class for *whatever reason*, it is *your* responsibility to turn in your report early, have it delivered to me via a friend, or having it emailed to **sandberg@ufl.edu** **BEFORE** class the day they are due. **E-mailed assignments are penalized by ONE LETTER GRADE (so do not email your paper if it is not absolutely necessary).** Emailed reports MUST be written in *Microsoft word* or sent as a *.pdf* file. Other file formats, including any scanned files, are NOT acceptable. In the case of emailed submissions, it is your responsibility to submit the file and the article in an acceptable format.

Homework Assignments: Four (4) homework projects will be assigned during the course of the semester, each worth 15 points. You may work on the assignments with a friend from class, but you need to submit your work *individually*. **Homework assignments must be TYPED.** You may, however, draw graphs by hand. Handwritten homework assignments are *not* accepted and will not be graded.

Assignments are to be turned in *no later than the beginning of the class period on the day they are due.* Early submissions are encouraged. Assignments received AFTER class are considered *late*. If you are to miss class for *whatever reason*, it is **your** responsibility to turn in your report early, have it delivered to me via a friend, or having it emailed to **sandberg@ufl.edu BEFORE class the day they are due.** **E-mailed assignments are penalized by ONE LETTER GRADE (so do not email your homework if it is not absolutely necessary).** Emailed reports MUST be written in *Microsoft word* or sent as a *.pdf* file. In the case of e-mailed submissions, it is your responsibility to submit the file in an acceptable format. If you email me your homework, graphs must be drawn in *Microsoft Word*.

Late submissions will be penalized regardless of reason (TWO letter grades per day it is late – and yes, weekends count as two days). No late homeworks will be accepted, no matter the reason, after solutions to the homeworks have been posted. **There are NO make-up homework assignments.** Missing class, *regardless of reason*, is not an excuse for missing a homework assignment.

Attendance: Given the quantity and the nature of the material covered, it is essential that you come to class regularly. However, formal attendance is not taken. You are an adult, so it is up to you to decide whether you want to attend class or not. And yes, this class “snowballs” pretty quickly.

First Week of Class: As per department policy, if you fail to attend any of the first two class meetings of this course, you will be dropped from this course.

Photographs: You will all be required to have your picture taken. A department photographer will come by the classroom during the first week of class. If you miss class that day, it is *your* responsibility to make an appointment with me to have your picture taken. Failure to do so before the end of the third week of class will result in a letter grade reduction in your grade on the first exam.

Classroom Etiquette: Be polite and courteous towards your fellow classmates. In order to provide a pleasant environment conducive to everyone's learning the following guidelines are expected:

- ***CELL PHONES and PAGERS are to be turned off***, as it is very disruptive (not to mention arrogant and annoying!) when these devices "go off" during class. So please take a second to turn off your devices before the class begin.
- If you arrive late for class, please take a seat close to the door to minimize the interruption.
- You should avoid talking amongst each other once the lectures begin (this *includes* conversations about the material and the class itself), as this is very disrespectful to your fellow students who are in class to learn.
- You should NOT read the Alligator or any other newspaper in the classroom once the class period begins.
- You should NOT do work for assignments for any other classes once the class period begins.
- You should discontinue the use of any iPods, Blackberries or similar devices once the class period begins.

If you cannot abide by these simple common-sense rules, I would prefer you not coming to class! I reserve the right to penalize any student not following these rules by deducting points solely at my discretion.

Students with Disabilities: The Disability Resource Center coordinates the needed accommodations of students with disabilities. This includes registering disabilities, recommending academic accommodations within the classroom, accessing special adaptive computer equipment, providing interpretation services and mediating faculty-student disability related issues.

0001 Reid Hall, 392-8565, www.dso.ufl.edu/drc/

Software Use: All faculty, staff and students of the university are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against university policies and rules, disciplinary action will be taken as appropriate.

Academic Honesty: In 1995 the UF student body enacted a new honor code and voluntarily committed itself to the highest standards of honesty and integrity. When students enroll at the university, they commit themselves to the standard drafted and enacted by students.

In adopting this honor code, the students of the University of Florida recognize that academic honesty and integrity are fundamental values of the university community. Students who enroll at the university commit to holding themselves and their peers to the high standard of honor required by the honor code. Any individual who becomes aware of a violation of the honor code is bound by honor to take corrective action. The quality of a University of Florida education is dependent upon community acceptance and enforcement of the honor code.

The Honor Code: We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.

On all work submitted for credit by students at the university, the following pledge is either required or implied: **“On my honor, I have neither given nor received unauthorized aid in doing this assignment.”**

The university requires all members of its community to be honest in all endeavors. A fundamental principle is that the whole process of learning and pursuit of knowledge is diminished by cheating, plagiarism and other acts of academic dishonesty. In addition, every dishonest act in the academic environment affects other students adversely, from the skewing of the grading curve to giving unfair advantage for honors or for professional or graduate school admission. Therefore, the university will take severe action against dishonest students. Similarly, measures will be taken against faculty, staff and administrators who practice dishonest or demeaning behavior.

Students should report any condition that facilitates dishonesty to the instructor, department chair, college dean or Student Honor Court.

(Source: 2007-2008 Undergraduate Catalog)

It is assumed all work will be completed independently unless the assignment is defined as a group project, in writing by the instructor.

This policy will be vigorously upheld at all times in this course.

Any instances of academic dishonesty will be reported to Student Judicial Affairs.

Campus Helping Resources: Students experiencing crises or personal problems that interfere with their general well-being are encouraged to utilize the university’s counseling resources. Both the Counseling Center and Student Mental Health Services provide confidential counseling services at no cost for currently enrolled students. Resources are available on campus for students having personal problems or lacking clear career or academic goals, which interfere with their academic performance. The Counseling Center is located at 301 Peabody Hall (next to Criser Hall). Student Mental Health Services is located on the second floor of the Student Health Care Center in the Infirmary.

- *University Counseling Center*, 301 Peabody Hall, 392-1575, www.counsel.ufl.edu
- *Career Resource Center*, CR-100 JWRU, 392-1602, www.crc.ufl.edu/
- *Student Mental Health Services*, Rm. 245 Student Health Care Center, 392-1171, www.shcc.ufl.edu/smhs/

Alcohol and Substance Abuse Program (ASAP)

Center for Sexual Assault / Abuse Recovery & Education (CARE)

Eating Disorders Program

Employee Assistance Program

Suicide Prevention Program

Important Dates:

August 23:	First Day of Class
August 23 – 29:	Drop-Add period
September 3:	Labor Day (no class!)
September 7:	Fee payment deadline
September 19:	Exam 1
October 10:	Exam 2
October 31:	Exam 3
November 2:	Homecoming (no class!)
November 12:	Veterans day (no class!)
November 19:	Last day to drop a course by college petition
November 22 – 23:	Thanksgiving (no class!)
December 5:	Last day of class
December 11:	Final Exam
December 17:	Final grades released on ISIS

By enrolling in this course you are agreeing to the terms outlined in this syllabus. Please come by my office should you have any questions.