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## Agricultural Economics 217 – Economics

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### Course Information

Monday-Friday,  
9:50-10:50 AM  
Rawls 1071  
<https://mycourses.purdue.edu>

### Instructor Information

Jeffrey Michler  
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765-496-1262  
Office Hours  
Monday-Friday,  
10:50-11:50

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## Objective and Overview

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*Economics is the study of mankind in the ordinary business of life.*  
-Alfred Marshall

As the quote by Marshall suggests, economics is essentially a study in behavior. We study how individuals or firms allocate their scarce resources (e.g., money, machinery, labor, etc.) to satisfy certain objectives (e.g., maximizing profit, etc.). This course serves as a survey of the main topics in economics, with a specific emphasis on macroeconomics and macroeconomic policy. We will start with a basic introduction to key elements of economics, particularly the components and principles of markets (i.e., supply and demand), ideas of efficiency and welfare, and the role and impact of policy. Next, we will discuss important macroeconomic measures like national income (Gross Domestic Product, GDP) and inflation. We will look at long run phenomena that shape the way a nation's economy grows and changes. The basics of open economy macroeconomics will be briefly addressed before finishing up with a look at short run shocks to an economy and possible policy responses. Since economics is a science that uses data to test hypotheses about the way the world works, we will also gain experience in economic analysis by examining real data and analyzing the relationships between different economic indicators. By participating in this class, you will be able to:

- Better understand how economic events and policies are influencing your life
- Participate in intelligent conversation and debate with friends and family about the latest economic issues in the popular press
- Explain to others how economic events or a change in economic policies will affect them
- Think like an economist!

## Textbook and Readings

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The text we will be using is Principles of Macroeconomics, 10e, by Karl Case, Ray Fair, and Sharon Oster. This latest edition is beneficial because much of the material has been updated to be relevant for current themes and issues. One can now rent a digital copy of the textbook for the semester at a reduced cost [through the CourseSmart](#) website. Students are strongly encouraged to purchase the 10th edition of the textbook as it will be heavily relied upon for a reference and source of homework assignments throughout the summer.

Additionally, we will supplement the textbook with recently published articles or economic data. In such an event, the articles or data will be available online and links will be posted on the course website.

## Grading and Evaluation

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Grades will primarily be based on exams and homework. There will be one midterm (20 percent) and a final exam (25 percent). The final exam will not be cumulative, per se, but since much of the material in the latter portion of the course builds upon earlier material, mastery of this earlier, foundational material is necessary. Homework will compromise 50 percent of the remaining 55 points. The final 5 points will be given for consistent class attendance and participation.

### Grade Breakdown

Homework	50%
Midterm exam	20%
Final exam	25%
Attendance/Participation	5%
Total	100%

There will be 6 total homework assignments throughout the course of the summer (approximately one every week that there is not an exam). Each assignment will be worth 10% of the total grade and I will drop the lowest grade. In economics we both analyze data (quantitative) and draw conclusions from that data (qualitative). Subsequently, the homework assignments will be of two types 1) quantitative and 2) qualitative. The quantitative assignments will involve answering questions from the textbook to demonstrate your ability to understand and manipulate the tools and models of economics. The qualitative assignments will involve reading recently published articles (that I assign) and writing a short (1-2 pages) reflection on those articles. These reflections **are not** summaries of the articles but are meant for you to demonstrate your ability to think critically about what you have read and integrate what you have learned in the classroom.

The final grades will be distributed on a standard grading scale, where 90% or better is an A, 80%-89% is a B, 70%-79% is a C, 60%-69% is a D, and below 60% is an F. It is certainly not my goal that anyone should fail this course. If you are struggling with comprehending the material or homework assignments, please come and see me during my office hours or email me to set up an appointment outside of my regularly scheduled hours.

## Assignment Due Dates

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I will assign homework at the beginning of every week except the two weeks in which we have exams (week 4 and 8). Homework assignments will be due **in class** the following Monday. Note that this means you will have homework due on the weeks you have exams but no new homework will be assigned that week.

## Class Schedule

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Week	Date	Topic	Book Chapter(s)
1	June 11-June 15	Introduction to economics	1
		The economic problem: scarcity and choice	2
		Demand, supply, and equilibrium	3
2	June 18-June 22	Applications of demand and supply	4
		Introduction to the macro economy	5
		Indicators: national output and income	6
3	June 25-June 29	Indicators: unemployment, inflation, growth	7
		Goods Market: expenditure and equilibrium	8
		Goods Market: fiscal policy	9
		No Class: Jun 29	
4	July 2-July 3	Money Market: monetary policy	10
	July 4	No Class	
	July 5	Review	
	July 6	Midterm Exam	1-10
5	July 9-July 13	Money market: interest rates and equilibrium	11
		Aggregate Demand	12
		Aggregate Supply	13
6	July 16-July 20	Labor Market	14
		Financial crisis and stabilization	15
		Consumption and Investment	16
		Long-Run growth	17
7	July 23-July 27	Alternative perspectives	18
		International trade	19
		Exchange rate	20
8	July 30	Economic growth	21
	July 31	Review	

## Other Class Policies

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Economics is a collaborative discipline so you may discuss homework assignments with each other. However, each person must hand in his/her own assignment, written up in his/her own words. Unless considerable class time has been missed for a valid reason (and cleared with me ahead of time), late assignments will not be accepted. If you anticipate missing an exam due to severe circumstances (as approved by me), please email me with a detailed explanation as early as possible so that we can make arrangements for a make-up.

## Academic Misconduct

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University policy on academic dishonesty is very clear: “The commitment of the acts of cheating, lying, stealing, and deceit in any of their diverse forms (such as the use of ghost-written papers, the use of substitutes for taking examinations, the use of illegal cribs, plagiarism, and copying during examinations) is dishonest and must not be tolerated” (*University Regulations*, Part 5, Section III, Subsection B). Academic dishonesty is destructive to everyone involved because it not only deprives you of the gifts of knowledge and accomplishment but also undermines Purdue's institutional integrity and threatens the academic fabric of the university. **Dishonesty is not an acceptable avenue to success.** Students are encouraged to work collaboratively on homeworks and in studying for exams, but each individual must be responsible for his/her own work and should significantly contribute to any collaboration. Any instance of academic dishonesty will be referred to the Dean of Students for disciplinary action. Penalties are severe and may result in expulsion from the university. The risks associated with academic dishonesty far outweigh any potential benefits, so please don't put your academic career in jeopardy.

## Students with Disabilities

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It is my goal to provide an atmosphere where all students can reasonably succeed in meeting the requirements for this course. If you have a disability or some other need that requires some special accommodation, please make an appointment with me within the first week of the course to discuss the appropriateness of instructional methods used in the class, or any academic adjustments or accommodations you may need. Please note that university policy requires all students with disabilities to be registered with Adaptive Programs in the Office of the Dean of Students before classroom accommodations can be provided.

## Campus Emergencies

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In the unusual event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes. To stay up-to-date about changes in the course, visit the course home page, contact me by email, or call me at my office.