

Principles of Macroeconomics

ECON 2301 - Introduction to the Principles of Macroeconomics
Spring 2015
CRN# 40328 and 40522
Central College
3 hour lecture course / 48 hours per semester/ 8 weeks
Distance Education

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Office location and hours

Please feel free to contact me concerning any problems that you are experiencing in this course. You do not need to wait until you have received a poor grade before asking for my assistance. Your performance in my class is very important to me. I am available to hear your concerns and to discuss course topics. Feel free to call me at the cell phone number above for a conference call or to arrange a time to visit with me.

Course Description

Macroeconomics examines the fundamentals of the American economy as it relates to social welfare. Emphasis is on basic concepts and theories as they affect domestic and international markets. This course integrates behavioral social sciences to present solutions to real world problems. Macroeconomics includes measurements of GDP, fiscal and monetary policy. This is a core curriculum course.

- Understand and describe the essential differences that separate and distinguish the Classical and Keynesian Schools in macroeconomics.
- Understand and describe the arguments pro and con for a policy of laissez-faire versus government activism in the management of macroeconomic policies.
- Understand and describe the concepts of Comparative Advantage, balance of payments and its components, and the determinants of exchange rates.

Learning objectives

Students will:

- Recognize the difference between real and nominal economic data.
- Explain the structure, scope, and relative performance of the American economy as measured by national income and product accounts, price indices, and unemployment rates.
- Describe the circular flow of income through the sectors of the economy and the process of income multipliers that influence these flows.
- Analyze aggregate demand and aggregate supply, including derivation of aggregate supply and aggregate demand as well as short- and long-run comparisons.
- Discuss the objectives and tools of macroeconomic policy.

- Explain the economics of the current account and the foreign exchange market

Instructional Methods

As an instructor, my responsibility is to provide you with knowledge concerning the field of macroeconomics that allows you to connect the information that you learn in this course to the real world. In short the purpose of this course is not to turn you into an economist but rather to train you to become economically literate and a more responsible citizen. As a student wanting to learn about economics it is your responsibility to read the textbook, submit assignments on the due dates, study for the exams, participate in the discussion forums, view the lecture videos and enjoy yourself while experiencing the real world of economics.

Student Assignments

Assignments have been developed that will enhance your learning. To better understand a topic, you will be given assignments on key information that you will need to know in order to be economically literate. These assignments are inside an online software program known as Aplia. The Aplia course key will only be available once you have successfully entered the course inside Eagle Online.

Midterm Exams

These will be conducted online through Aplia. There will be three midterm exams covering anywhere between four and five chapters each on average. The questions are in written format. All midterm examinations are timed at 90 minutes.

Online Experiments – There are five of these during the course of the semester. They are held online. Below is a brief description of them.

Experiment Title	Experiment Description	Learning Points
Interest Rates and Investment	Students play the role of borrower or lender in a market in which they negotiate loans to fund investment projects.	Demonstrates that it is the real interest rate, not the nominal interest rate, that determines the quantity of investment in an economy.
Unemployment Compensation	Students play the role of worker or employer in a simulated market for jobs.	Shows that increases in the amount of unemployment compensation result in an increase in unemployment as the opportunity cost of working becomes higher.
Goo—Fixed Prices	Students compete to harvest the most "goo" on the fictitious planet Hermes by hiring other students in a labor market with fixed wages.	Illustrates the equation of exchange, and in particular, how changes in the money supply affect (real) GDP when prices are fixed.
Goo—Flexible Prices	Students compete to harvest the most "goo" on the fictitious planet Hermes by hiring other students in a labor market with flexible wages.	Illustrates the equation of exchange and demonstrates the neutrality of money in the long run: that is, when prices are flexible, changes in the money supply affect inflation but not real GDP.
Labor Market	Students play the role of either a company that wants to hire workers or an agency with workers available for hire. Workers' productivity, and therefore their wage, depends on the amount of capital used by companies.	Shows how growth in the capital stock leads to higher wages, while an increase in the labor supply leads to lower wages.

Final Exam

This exam evaluates students on material for all the chapters and objectives covered in the course. It contains 40 to 50 questions which involve graphs or tables, performing calculations, applying a theory to a real-world problem, recognizing important economic facts and principles and still others which require the student to think critically about an economic problem.

Instructional Materials

TEXT: Economics by N. Gregory Mankiw, 7th Edition. Published by Cengage Learning.

Aplia – an online learning and homework solutions system. This comes with the Mankiw text.

Write Experience - - assesses written communication skills easily and automatically. Through an exclusive partnership with a technology company, Cengage Learning's Write Experience fosters better student writers. This product utilizes artificial intelligence to not only score your writing instantly and accurately, but it also provides you with detailed revision goals and feedback on your writing to help you improve. This also comes with the Aplia text.

Instructor Requirements

As your Instructor, it is my responsibility to:

- Provide the grading scale and detailed grading formula explaining how student grades are to be derived
- Facilitate an effective learning environment through class activities, discussions, and lectures
- Description of any special projects or assignments
- Inform students of policies such as attendance, withdrawal, tardiness and make up
- Provide the course outline and class calendar which will include a description of any special projects or assignments
- Arrange to meet with individual students or be available for a conference call by phone or visit in the Moodle chat room.

To be successful in this class, it is the student's responsibility to:

- Log into the Moodle learning manage system
- Read and comprehend the textbook
- Complete the required assignments and exams:

Grading Scale

90-100 =A

80- 89=B

70- 79=C

60- 69=D

Below 60= F

Grading Percentages

Aplia Assignments (Including Experiments) – 15%

Midterm Exams & Write Experience – 45% (15% for each exam)

Write Experience – (5 essays) 20%

Final Exam – 20%

Makeup Policy

Because of the generosity of the openness of both the Aplia assignments and the examinations there will not be any makeups allowed for any reason. Therefore, it is imperative that you complete all of your work.

Course Outline

See Aplia for the complete set of homework assignments and examinations. A tentative course outline is at the end of the syllabus.

HCC Policy Statements

Access Student Services Policies on their Web site:
<http://hccs.edu/student-rights>

Access DE Policies on their Web site:

All students are responsible for reading and understanding the DE Student Handbook, which contains policies, information about conduct, and other important information. For the DE Student Handbook click on the link below or go to the DE page on the HCC website. The Distance Education Student Handbook contains policies and procedures unique to the DE student. Students should have reviewed the handbook as part of the mandatory orientation. It is the student's responsibility to be familiar with the handbook's contents. The handbook contains valuable information, answers, and resources, such as DE contacts, policies and procedures (how to drop, attendance requirements, etc.), student services (ADA, financial aid, degree planning, etc.), course information, testing procedures, technical support, and academic calendars. Refer to the DE Student

Student Handbook

Visit this link:

<http://de.hccs.edu/de/de-student-handbook>

Access CE Policies on their Web site:

<http://hccs.edu/CE-student-guidelines>

Tentative Course Outline (Dates and Times are Published in Aplia)

Week 1

Introduction to Using Aplia Assignments
This mobile-enabled assignment
Problem Set

Math and Graphing Assessment with Tutorials
This problem set assesses students
Problem Set
58/Graded

Ten Principles of Economics - Chapter
Chapter 1
Reading

Thinking Like an Economist - Chapter
Chapter 2
Reading

Thinking Like an Economist
Chapter 2

Week 2

Interdependence and the Gains from Trade - Chapter
Chapter 3
Reading

The Market Forces of Supply and Demand - Chapter
Chapter 4
Reading

The Market Forces of Supply and Demand
Chapter 4

Preparing for the Equilibrium Price and Quantity Experiment
Shows students how to trade in the
Problem Set

Equilibrium Price and Quantity with Price Ceilings and Price Floors: Experiment
Section: All Sections
Combines the Equilibrium Price and
Experiment

Thursday
Analyzing Equilibrium Price and Quantity
Discusses and tests understanding
Problem Set

Week 3

Supply, Demand, and Government Policies - Chapter
Chapter 6

Reading

Preparing for the Price Ceilings and Price Floors Experiment
Shows students how to trade in the
Problem Set

Price Ceilings and Floors and Taxes and Welfare: Experiment
Section: All Sections
Combines the Price Ceilings and
Experiment

Analyzing Price Ceilings and Floors
Discusses and assesses
Problem Set

Week 4

Application: International Trade - Chapter
Chapter 9
Reading

Measuring a Nation's Income - Chapter
Chapter 10
Reading

Measuring the Cost of Living - Chapter
Chapter 11
Reading

Week 5

Production and Growth - Chapter
Chapter 12
Reading

Preparing for the Labor Market Experiment
Prepares students for the roles
Problem Set

Labor Market: Experiment
Section: All Sections
Students participate in an
Experiment

Analyzing the Labor Market Experiment
Discusses and tests understanding
Problem Set

Saving, Investment, and the Financial System - Chapter
Chapter 13
Reading

The Basic Tools of Finance - Chapter
Chapter 14
Reading

Week 6

Unemployment - Chapter
Chapter 15
Reading

Preparing for the Unemployment Compensation Experiment
Prepares students for the
Problem Set

Unemployment Compensation: Experiment
Section: All Sections
An experimental market that lets
Experiment

Analyzing Unemployment Compensation
Discusses and assesses
Problem Set

The Monetary System - Chapter
Chapter 16
Reading

Money, Growth, and Inflation - Chapter
Chapter 17
Reading

Week 7

Open-Economy Macroeconomics: Basic Concepts - Chapter
Chapter 18
Reading

A Macroeconomic Theory of the Open Economy - Chapter
Chapter 19
Reading

Aggregate Demand and Aggregate Supply - Chapter
Chapter 20
Reading

The Influence of Monetary and Fiscal Policy on Aggregate Demand - Chapter
Chapter 21 Reading

Preparing for the Fixed Prices Experiment
Prepares students to participate in

Preparing for the Flexible Prices Experiment

Prepares students to participate in
Problem Set

Fixed Prices: Experiment

Flexible Prices: Experiment
Students compete to harvest the
Experiment

Analyzing the Fixed Prices Experiment
Use this problem set to understand
Problem Set

Analyzing the Flexible Prices Experiment
Use this problem set to understand
Problem Set

Week 8

The Short-Run Tradeoff between Inflation and Unemployment - Chapter
Chapter 22
Reading

Six Debates over Macroeconomic Policy - Chapter
Chapter 23
Reading