ECO225B: Principles of Economics II - Macroeconomics Course Syllabus – SP 2017

Instructor: Dennis Debrecht
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Office Location: Business Hall 103
Office Hours: Monday and Wednesday 2-4 pm, and by appointment.
Class Time & location: ----R--, 6:00 p.m. - 9:35 p.m., MN311

Course Information:

Course description: An intensive analysis of the macroeconomic theory that explains the aggregate behavior of our economy and its public and private policy implications.


Attendance Policy: The student is expected to make each class session. If possible, I’d like to know in advance if a student will be absent from class. In the case of absence, the student should get class notes from another student in the class.

Purpose of this course: The purpose of this course is to introduce the student to the analysis of macroeconomic theory. Macroeconomic theory attempts to explain the aggregate, or total behavior of an economy, as well as dealing with public and private policy implications of economic decision-making.

Course Objectives:
This course fulfills the requirements for Liberal Studies Program (LSP) Area III, Understanding Human Behavior, as well as a General Education (GE) I requirement in the Social Sciences Area. As such, after taking this course, students will be able to make more informed decisions in both public and private life, and have a better understanding of economic issues affecting their lives.

Learning Outcomes:
Upon successful completion of the course, the student should be able to:

(1) grasp how the concepts of scarcity, choice, and opportunity costs affect resource allocation in the macroeconomy;
(2) gain an appreciation of how the macroeconomy influences the private and public sectors of an economy;
(3) understand how inflation, unemployment, and growth affect the macroeconomy;
(4) see how monetary and fiscal policy actions influence the macroeconomy;
(5) grasp how economists use macroeconomic data to evaluate an economy’s performance;
(6) understand how and why economists may disagree on policy prescriptions for the macroeconomy; and
(7) gain an appreciation of the impact of international trade on the macroeconomy
**Measures of Achievement:**
These outcomes will be assessed using the following:

(1) Written examinations - The essay portion of the exams will be used in assessing writing and critical thinking skills, and in assessing items (1), (3), (4), (6), and (7) above. The multiple-choice part of the exams will be used in assessing critical thinking skills and in assessing items (1), (3), (4), (6) and (7) above.

(2) Group project presentations - These will be used in assessing oral communication and critical thinking skills, as well as the student’s understanding of the contemporary relevance of the course. Items (2), (5), and (6) above will be assessed using these presentations.

(3) The 10 -12 page written paper (accompanies group project presentation) - The paper will be used in assessing writing and critical thinking skills, and in the understanding the contemporary relevance of the course. Items (2), (5), and (6) above will be assessed using the written paper.

(4) The Aplia problem sets – These will be used in assessing critical thinking skills and in assessing items (1) – (5) above.

**Content and Skills Goals:**
The content of this course emphasizes critical thinking skills and contemporary relevance of the course material. In particular, when we cover chapters on the data of the macroeconomy and monetary and fiscal policy-making decisions, the student will analyze the effects of these decisions on the economy.

**Grading Scale/Weight:**
Videos from different sources may be incorporated in the course to enhance the student’s understanding of the material. There will be four exams given in the course, consisting of 50% multiple-choice questions and 50% essay questions. Each exam will be worth 100 points. These four exams will be used as a major part of the evaluation of the student’s performance in the course. The material to be covered on the four exams is as follows:

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<th>Exam</th>
<th>Chapters</th>
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<tr>
<td>Exam 1</td>
<td>1 – 4, 9</td>
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<td>Exam 2</td>
<td>10 - 14</td>
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<td>Exam 3</td>
<td>15 - 19</td>
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<tr>
<td>Final Exam</td>
<td>20 - 22</td>
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In addition, material from the videos used in class may be covered on the exams. No extra credit is given. Throughout the term, problem sets from the Aplia system will be assigned to supplement the material covered in the text and in class. These problem sets will be graded and are part of the course grade.

In addition to the exams and the problem sets, another important part of the assessment of the student’s performance in the course will be group project presentations, which will be given during the last week of the course. The groups will consist of approximately 5 students each, and each group will do research on some macroeconomic topic. I will assign students to groups by the end of the second week of the semester. There will be some peer evaluation of students within each group, but I will do most of the group’s evaluation. I will provide a grading rubric for evaluation of each group. A 2-3 page outline from each group is due on March 30, which will include the sources used in the paper. The reports are to be 10 - 12 pages in length (to be turned in after the presentation), with the presentations to be about 12 - 15 minutes, followed by a brief question-and-answer period. Each group will address a key question related to their topic. Each group decides how to present the
material, whether power point, videos, graphs, tables, etc. will be used. Grades will be based on how well the topic is addressed and presented.

Some suggestions for topics are:
1. Productivity and economic growth – How has the U.S. economy performed in the first fifteen years of the 2000s compared to the last few decades?
2. Government’s role in the macroeconomy - How far should it go?
3. Inflation – What are the effects on the economy of low inflation?
4. Inflation and interest rates – Is the Fed doing too much or too little?
5. U.S. trade deficits - What effect do they have on our economy?
6. Climate change – What are the impacts on the economy?
7. International trade agreements - What economic benefits occur?
8. Employment problems - Will the U.S. face labor shortages in the next decade?
9. Social Security - How do we make this system secure?
10. Medicare - Are there market-based solutions for its problems?
11. Budget Surpluses and Deficits - What should policy makers do about them?
12. Government Stimulus programs – Too little or too much?

Other macroeconomic-related topics may be selected with my approval.

Your course grade will be determined in the following way: your grade on the group project will count 20%, your highest three exam scores will count 20% each and your lowest exam score will count 10% towards your course grade, and the problem sets from Aplia (in total) will count 10% towards your course grade. The grading scale, which is subject to change, is as follows: 92-100 A; 89-91 AB; 81-88 B; 77-80 BC; 63-76 C; 58-62 D; and below 58 F.

**Course Schedule:**
Outline for the Course:

Jan. 26  Part One: An Introduction to Economics and the Economy
         Ten Principles of Economics/Chapter 1
         Thinking Like an Economist/Chapter 2

Feb. 2   Interdependence and the Gains from Trade/Chapter 3
         Part Two: How Markets Work and Welfare
         The Market Forces of Supply and Demand/start Chapter 4

Feb. 9   The Market Forces of Supply and Demand/finish Chapter 4
         Application: International Trade/Chapter 9
         Review for Exam 1

Feb. 16  EXAM 1
         Part Three: The Data of Macroeconomics
         Measuring a Nation’s Income/Chapter 10

Feb. 23  Measuring the Cost of Living/Chapter 11
         Part Four: The Real Economy in the Long Run
         Production and Growth/Chapter 12

Mar. 2   Saving, Investment, and the Financial System/Chapter 13
         The Basic Tools of Finance/Chapter 14
         Review for Exam 2
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| Mar. 9     | **EXAM 2**  
Group Project Meeting                                   |
| Mar. 13 – 17 | Spring Break – No Class                                    |
| Mar. 23    | Unemployment/Chapter 15  
Part Five: Money and Prices in the Long Run  
The Monetary System/start Chapter 16 |
| Mar. 30    | The Monetary System/finish Chapter 16  
Money Growth and Inflation/Chapter 17  
Group Outlines Due |
| Apr. 6     | Part Six: The Macroeconomics of Open Economies  
Open-Economy Macroeconomics: Basic Concepts/Chapter 18  
A Macroeconomic Theory of the Open Economy/Chapter 19  
Review for Exam 3 |
| Apr. 13    | **EXAM 3**  
Part Seven: Short-Run Economic Fluctuations  
Aggregate Demand and Aggregate Supply/Chapter 20 |
| Apr. 20    | The Influence of Monetary and Fiscal Policy on Aggregate  
Demand/Chapter 21  
The Short-run Trade-off between Inflation and Unemployment/Chapter 22 |
| Apr. 27    | Group Project Presentations  
Review for the Final Exam |
| May 4      | **FINAL EXAM**                                           |

The instructor and the University reserve the right to modify, amend, or change the syllabus (course requirements, grading policy, etc.) as the curriculum and/or program require(s).

Students with documented disabilities who may need accommodations, or any student considering obtaining documentation should make an appointment with Ms. Martha Bledsoe, Director of Services for Students with Disabilities, no later than the first week of class. She can be reached by calling 262-524-7335 or contacting her via email at mbledsoe@carrollu.edu.

“The Carroll University Academic Integrity Policy is located in your student handbook (https://my.carrollu.edu/ICS/Departments/Student_Affairs). I encourage you to familiarize yourself with it. If a student violates this policy in any way, I reserve the right to impose a sanction of failure on the assignment/assessment or failure in the course. If you have questions about appropriate citations, please ask.”