Course Title: Introduction to Economics: Macroeconomics Course Number: ECON 200 Credit Hours: 5 Prerequisites: 30 prior college credits recommended. Meeting times: Tuesday, Thursday; 5:30 pm-7:40 pm

Instructor name: Bruce Christopherson Social Sciences Division Office: A251 Office location: A 100F Office phone number: 564-2370 Office hours: By Appt. Email: <u>bchristo@bcc.ctc.edu</u>

Textbook: <u>Macroeconomics</u>, 6th ed., Colander Supplementary material: Practice test package

Course description: Presents major theories of business cycles and economic growth. Students examine economic policies aimed at controlling inflation and unemployment in an industrialized capitalist nation as well as factors in international trade and monetary flows. It may also cover the development policies of underdeveloped countries.

Course Outcomes

By the end of the quarter, students will be able to do the following:

- Correctly identify reliable sources and be able to calculate the primary summary statistics used to evaluate macroeconomic performance: real GDP, unemployment rates, inflation measures, labor productivity, money measures, interest rates, and the federal budget position. Have the ability to read and interpret the reasonableness of these data as presented in charts and tables.
- Understand the key components (consumption, investment, government expenditures and net trade) of GDP for an open, mixed economy and how these relate to the flow of resources, national income and goods through an economy.
- Identify and describe the processes a central bank uses to implement monetary policies
- Identify and describe the components of fiscal policy as enacted by the federal government
- Evaluate policies, within different time horizons, for their influence on business cycles, long-run growth, productivity and for various responses to external shocks to the economic system (growth and stability)
- Understand how the internationalization of our economy has changed the outcomes and choices of our domestic economy (including exchange rates, trade in goods and factors)

In addition, students may be introduced to a subset of the following:

- Explain the evolution of US capitalism from the Great Depression to the present and identify the major events that contributed to shifts in economic policy.
- Role of expectations, risk and uncertainty in modifying outcomes of actions, especially with respect to consumption and tax policies
- Short-term trade-offs of Phillips curve, Okun's and Gresham's Laws, and Taylor Rule
- An awareness of the competing macro theories and models
- A comparison of summary statistics with other countries' performance
- A discussion of how such measures, outcomes, and policies would be adjusted for lesserdeveloped countries

"2" in General Education ratings for "critical thinking" and for "Quantitative and Logical Reasoning" and "Writing" as well as 1s in 7 other areas.

Course topics to be covered:

<u>Topic</u>	<u>Chapter</u>		<u>Chapter</u>
<u>Overview</u>	1	AGragete Demand	0
Maara va Miara	I	Aggregate Supply	9
Socraity & Chaica	1		9
Opportunity Costs	I	AS & AD	9
Depitive ve Normetive	1	Aggragata Expanditura Madal	
Positive vs Normative	1		0
Production Possibilities	Z	Consumption	9
Production Constraints	0		
	2		44.000
Supply & Demand	4	Determinants	тарр А
Economic Systems	3		9
Capitalism		Determinants	
Socialism			40
		Equilibrium Output	10
Public Sector	•	Multiplier	10
Reasons for Government	2		
Public goods		Aggregate Expenditure Model	
Negative Externalities		Government	Х
Positive Externalities		Fiscal Policy	9,14
Market Regulation		Recessionary Gap	
Equality		Classical vs Keynesian	
Economic Stability		Inflationary Gap	
Government Expenditure	3		
Government Cash Inflow	3	<u>AS-AD</u>	
Federal		Long Run AS & AD	9
State		Supply Side Economics	Х
Local		Laffer Theory	
Midterm 1		Midterm 3	
National Income Accounting		National Debt	
GDP	7	National Debt & Budget Deficit	15
Components	1	Concerns	15
GDP Measurement Problems	7	BD & Recession	15
GDP & Inflation	·		10
		Money & Banking	
Business Cycle		Money	11
Business Cycle	6	Functions	
Stabilization		History	
Unemployment		Federal Reserve	
Unemployment	6	Money Supply	12
Measurement		Money & Interest Relation	12
Types		Monetary Policy	12
Work Incentive			
		Final (cumulative)	
Inflation	o / o		
Inflation	6,13		
GDP Deflator			
Inflation & Wages			

Inflation & Interest Rates

Concerns

Midterm 2

Approximate exam dates: Midterm 1; Jan. 25 (tentative) Midterm 2; Feb. 8 (tentative) Midterm 3; Mar. 6 (tentative) Final; Mar. 20 Approximate paper due dates: Paper 1; Jan. 16 (tentative) Paper 2; Feb. 1 (tentative) Paper 3; Mar. 20 (tentative) Number of exams: 4 Types of exams: Multiple choice Other graded material/assignments: 3 papers Percentage points for course grade: Midterm 1: 16% 16% Midterm 2: Midterm 3: 16% Final; 26% Paper 1: 7% Paper 2; 7% 7% Paper 3; Class participation; 5%

Total percentage points; 100%

Makeup exams: One makeup test is allowed by arrangement <u>prior</u> to the missed test, but one point will be deducted from the score. If a midterm is missed without prior arrangement, that test grade will be replaced with a grade .5 lower than the lowest grade of the other 3 tests (2 midterms and final). The final must be taken in order to receive credit for the course.

Cheating on an exam will result in a failing grade for the class.

Example calculations of course grade:

This person got a 2.5, 3.2, and 2.7 on the 3 midterms, 2.5 and 3.5 on the papers, 3.4 on the final, and a 3.0 for class participation. The course grade is calculated as:

midterms papers final participation .16 x (2.5 + 3.2 + 2.7) + .105 x (2.5 + 3.5) + .26 x 3.4 + .05 x 3.0 = 3.0

Decimal-letter grade conversion

а	1.8 - 2.199	С
a-	1.5 - 1.799	C-
b+	1.2 - 1.499	d+
b	0.8 - 1.199	d
b-	0.5 - 0.799	d-
C+		
	a a- b+ b- c+	a 1.8 - 2.199 a- 1.5 - 1.799 b+ 1.2 - 1.499 b 0.8 - 1.199 b- 0.5 - 0.799 C+

Course Grading

Number of exams: 4 Types of exams: Multiple choice Other graded material/assignments: 3 papers, 9 online discussions

Exam Dates:

Midterm 1; Jan. 26 (tentative) Midterm 2; Feb. 14 (tentative) Midterm 3; March 2 (tentative) Final; March 21 on BCC campus

Paper Due Dates:

Paper 1; Jan. 12 (tentative) Paper 2; Jan. 31 (tentative) Paper 3; March 3 (tentative)

Online Discussion Dates:

Begining in the third week of the quarter, discussion topics will be posted Tuesday and the discussion period will then end on Friday. You will be expected to post one original comment on the discussion topic and then make two comments on other students' original comments or reply comments. Each of the nine discussion topics will count for 1.5% of the class grade.

Percentage points for course grade:

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Midterm 1	14%
Midterm 2	14%
Midterm 3	14%
Final	23.5%
Paper 1	7%
Paper 2	7%
Paper 3	7%
Discussions (9)	13.5% (1.5% each)
Total percentage points	100%

There are no makeup exams, papers, or extra credit. Grades for a missed exam will be replaced with the lowest grade of the other 3 tests (2 midterms and final). The final must be taken in order to receive credit for the course.

Cheating on an exam will result in a failing grade for the class.

Example calculations of course grade:

I record decimal grades for each test and paper, and then convert these decimal grades to a letter grade at the end of the quarter. Suppose a person got a 2.5, 3.2, and 2.7 on the 3 midterms, 2.5, 3.0, and 3.5 on the papers, 3.4 on the final, and a 3.0 for class participation. The course grade is calculated as:

Decimal-letter grade conversion

3.8 - 4.0 a 3.5 - 3.799 a-3.2 - 3.499 b+ Course Grading

2.8 - 3.199 b 2.5 - 2.799 b-2-2 - 2.499 c+ 1.8 - 2.199 c 1.5 - 1.799 c-1.2 - 1.499 d+ 0.8 - 1.199 d 0.5 - 0.799 d-

Week	Module	Text Chapter
10	22 Oligopoly	13
	23 Monopolistic Competition	13
	24 Financial Markets	Not in text
11	25 Externalities and the Environment	18

The final exam will be taken on BCC's campus, not online. The date is Tuesday 3/21/06 at 7:50pm room C208.

The final will be cumulative with about half the questions coming from the above material, and the other half of the questions coming from the material covered on the three midterms. The final will be about 41 questions and is closed book and closed note, although you will be given the four elasticity equations from module 10. We will review for about :45 (questions you have from the practice tests, modules books, or elsewhere) and the take 1:20 for the final exam.

If you're unable to make the on-campus final, then you must locate a school or library that offers proctoring services (often for a fee). Email me with the school or library's name, address, fax number, and a contact person's name and phone number.

There will be two weekly discussion topics for this period.

Week	Module	Text Chapter
1	1 Introduction to Economics	1
	2 Production Possibilities	2
2	3 Markets	2
	4 Demand	4
	5 Supply	4
3	6 Supply and Demand	4
	7 Labor Markets	4
	8 Price Ceilings	5
4	9 Price Floors	5, 19

Midterm 1 will be available to take during a 24 hour window beginning 6 pm Thursday of the fourth week of class (1/26/06).

Weekly discussion topics will begin during the third week of class, so there will be two discussion topics for this period.

The first paper topic is covered in modules 1 and 2. This paper will be due the second week of class (1/12/06 by midnight). The second paper topic is covered in modules 8 and 9. This paper will be due the fifth week (1/31/06 by midnight).

Week	Module	Text Chapter
5	10 Elasticity	6
	11 Utility	8
	12 Business Forms	3
6	13 Production	9
	14 Production Costs	9
	15 Producton Costs Continued	9 and 10

Midterm 2 will be available to take during a 24 hour window beginning 6 pm Tuesday of the seventh week of class (2/14/06).

There will be two weekly discussion topics for this period.

Week	Module	Text Chapter
7	16 Perfectly Competitive Firms	11
	17 Shut Down Decision	11
8	18 Tax Effects	Not in text.
	19 Competitive Markets	11
	20 Monopoly	12
9	21 Barriers to Entry and Price Discrimination	12

Midterm 3 will be available to take during a 24 hour window beginning 6 pm Thursday of the ninth week of class (3/2/06).

There will be three weekly discussion topics for this period.

The third paper topic is covered in module 19. This paper will be due the ninth week of class (3/3/06 by midnight).