

MACROECONOMICS

Economics 202
Summer 2009
Room C208
11.30 – 1.20pm

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Office Hours: Monday through Thursday, 1.30-2.30pm, or by appointment at other times
(my classes are at 9:30 and 11:30).

This is a five-credit microeconomics course. The goal of this course is for the students to understand the economic forces that affect their lives and work, and to develop analytical and critical thinking about the functioning of the overall economy and the power of economics.

We will examine the aggregate economic forces such as inflation, unemployment, trade, GDP growth, saving and investments, the money market and interest rates, the economic policies, and the role of the Federal Reserve. In this time of downturn business cycle, we will see a more interesting role of the government agencies through the implementation of both fiscal and monetary policies, and we shall examine if these policies are effective for the economy and how they affect the income, savings and investment in the short run, and if they are as effective for the long-run.

We will also discuss current news and articles that cover the ongoing economic issues from newspapers and magazines: The New York Times, Wall Street Journal, Seattle Times, and other online sources; I will provide the hard copy or the articles' link via emails or through the BCC course site.

Textbooks:

Macroeconomics, Paul Krugman and Robin Wells, 2nd ed, Worth Publisher
(We are going to use Aplia software to facilitate our study; see attached information)
Additional Reading: The Return of Depression Economics, Paul Krugman

Exams:

There will be two 50-minute exams during the quarter, and a two-hour final exam.
The 50-minute exams each will consists of 33 multiple choice questions and will be conducted every three weeks, and each exam will cover only the segment of each period. The two-hour final exam will cover comprehensively the whole term materials (7-week period), and there will be 50 multiple-choice questions. Please do not miss an exam. If it is an emergency, **you must notify me beforehand, and bring a written document.** You may do this makeup exam before the end of the quarter to get your final grade. This exam will not be corresponding with the exams that your other classmates had completed.

Class Plan

We will have four sessions a week, here are the plan of the class sessions tentatively:

Monday:	Lecture, discussions and problem-solving
Tuesday:	Lecture, discussions and problem-solving
Wednesday:	In-class assignments, work in group
Thursday:	Weekly quiz covering the chapters discussed during the week; and discussion on the “news of the week” or viewing economic documentaries.

Paper:

Each student will write a two-page essay to be submitted by the end of the term (the last day of class, not the exam date), which covers topics that are related to our class discussion and the current economic situation.

Class Schedule:

Please read the assigned material before class and come prepared with questions or comments. In addition to this textbook, I will add discussion on the news or articles of the week from various sources, as well as a few chapters of additional reading, and you may also bring up discussion of current economic news and events into the classroom.

Week 1	Ch. 1 - First Principles Ch. 2 - Economic Models: Trade-offs and Trade
Week 2	Ch. 6 – Macroeconomics and the Big Picture Ch. 7 – Tracking Macroeconomy: GDP, Unemployment and Inflation
Week 3	Ch. 8 – Long-Run Economic Growth Ch. 9 – Savings, Investment, and Financial System
Week 4	Ch. 10 - Aggregate Supply and Aggregate Demand Ch. 11 – Income and Expenditure, Multipliers
Week 5	Ch. 12 – Fiscal Policy: Tax and Multiplier Ch. 13 – Money, Banking, and Federal Reserve
Week 6	Ch. 14 – Monetary Policy Ch. 15 – Labor Markets and Unemployment
Week 7	Ch. 16 – Inflation, Disinflation, and Deflation Ch.18 – Open Economy Macroeconomics Review for the Final

Important Dates

Class starts	June 29	(Mon)
Holiday	July 3	(Fri)
First Exam	July 17	(Fri)
Second Exam	Aug 7	(Fri)
Final Exam	Aug 12	(Wed)

Final Grade

Each of your work will graded with 100 point-base and then will be taken in percentage as follows:

Essay	10%	A	92-100
Teamwork	10%	A-	88-91.9
Class participation	5%	B+	84-87.9
Quizzes	10%	B	80-83.9
Exams (2 exams, 22.5% each)	45%	B-	76-79.9
Final Exam	<u>20%</u>	C+	72-75.9
Total	100%	C	68-71.9
		C-	65-67.9
		D+	60-64.5
		D	56-59.5

There will be no “extra-credit” assignments. Your grade reflects your understanding of the chapter readings and lectures, and the time and efforts that you put into it.

Class Outcomes

Here is what BCC (the Economics department, in particular) thinks you should be able to do by the end of this quarter:

- 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 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)

Class Rules

Every violation of the following rules, the instructor can deduct ten percent of your final grade for every occurrence:

- Students are expected to come in class and exams on time
- Attendance will be taken; absences should not be more than ten percent (10%) of the overall meetings of the term. Occasionally, the instructor will call roll the attendance.
- Chatting or cross-talking during lectures are prohibited; there should be no disruption of class, noise, rude or disrespectful behaviors.
- Electronic devices should be turned off, except those used to facilitate teaching-learning session.
- During exams, no use of cell-phones or other electronic gadgets (other than calculator).
- No eating in class during session (unless you invite the whole class, including the class instructor).
- Cheating in exams will earn you an F.



Student Registration and Payment Instructions

Course Name: Halim, Macroeconomics (Krugman 1e), Summer 2009

Start Date: 06/29/2009

Instructor: Liliana Halim

Course Key: 57ZE-BX7X-CWHW

You can begin working on your homework as soon as you register!

- In this course, you will use a textbook and Aplia's website.
- In most cases, you can save money if you buy Aplia and your textbook together. See payment options below.

Registration

If you have never used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Click the New Student link and enter your Course Key: **57ZE-BX7X-CWHW**. Continue following the instructions to complete your registration.

If you have used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Sign in with your usual e-mail address and password and enter your Course Key when prompted: **57ZE-BX7X-CWHW**. If you are not prompted for a new Course Key, click the Enter Course Key button to enroll in a new Aplia course. Enter your Course Key when you are prompted.

** You will have different payment options after you register for your course. If you choose to pay later, you can use Aplia without paying until 11:59 PM on 07/10/2009.*

Payment

Aplia Access

- **From Aplia:** Purchase access to your course from Aplia's website for \$35.00 USD.