

Principles of Macroeconomics
Eco – K101
Brian W. Simpson

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OFFICE HOURS: Room D205 - Tuesday and Thursday 1:00-2:00

COURSE DESCRIPTION: Fundamental Objectives

We have three main goals for this course:

1. To help the student master the principles essential for understanding the economizing problem, specific economic issues, and policy alternatives.
2. Help the student to understand and apply the economic perspective and reason accurately and objectively about economic matters.
3. Promote a lasting interest in economics.
4. Most of the material that we will discuss you will forget; we hope that the economic way of thinking will stay with you.

REQUIRED TEXT: *Core Macroeconomics, Third Edition* by Eric P. Chiang

GRADES:

	87-89 = B+	77-79 = C+	67-69 = D+
93-96 = A	83-86 = B	73-76 = C	63-66 = D
90-92 = A-	80-82 = B-	70-72 = C-	60-62 = D-

ATTENDANCE: I would like to encourage you to attend class and hope that you will find it worthwhile. It is your decision to attend class. It will not affect your grade. Class participation will enhance your grade.

Make-up exams will be given if the student has contacted the instructor prior to the test.

COLLEGE WITHDRAWAL POLICY: A student who finds it necessary to discontinue a course MUST complete a withdrawal form obtained from the Registrar's Office. Students may withdraw from class anytime during the first ten weeks of the semester without being in good standing or obtaining prior permission of the instructor. After that period, a student wishing to withdraw must obtain written authorization of the instructor to receive a "W" grade for the course. Students who fail to properly withdraw and discontinue coming to class will receive an "F" grade. Eligibility for refund of tuition is based upon date of withdrawal when received by the registrar. Verbal withdrawals will not be accepted.

LEARNING DISABILITIES STATEMENT: If you are a student with a disability and believe you will need accommodations for this class, it is your responsibility to contact Disabilities Counseling Services at 383-5240. To avoid any delay in the receipt of accommodations, you should contact the counselor as soon as possible. Please note that I cannot provide accommodations based on disability until I have received an accommodation letter from the Disabilities Counselor.

CELL PHONE POLICY: Students are notified that cellular phones and beepers are allowed in class or in the Learning Resource Center only if they are turned off or turned to a silent mode. Under no circumstances are phones to be answered in class. When there are extenuating circumstances that require that a student be available by phone or beeper, the student should speak to the instructor prior to class, so that together they can arrive at an agreement.

OUTCOMES:

- 1) To demonstrate knowledge of the business cycle
 - a) Interpret a graph of the business cycle.
 - b) To explain the effects of recession.
 - c) To illustrate via aggregate demand and aggregate supply graphs the affects of recession, demand-pull inflation, cost-push inflation, and an increase in aggregate supply.
 - d) Discuss how the government will use its tools of fiscal policy to stimulate the economy in times of recession and inflation.
- 2) To demonstrate an understanding of how supply and demand work together to set prices.
 - a) To distinguish a change in demand with a change in quantity demanded.
 - b) To distinguish a change a change in supply with a change in quantity supplied.
 - c) To analyze the cause(s) of a change in demand or a change in supply.
 - d) To analyze the affects of price floors and price ceilings.
- 3) To demonstrate an understanding of how our banking system works
 - a) To explain the 3 functions of money.
 - b) Calculate m_1 , m_2 , m_3 , and the deposit expansion multiplier.
 - c) Explain the roles of a central bank.
 - d) To explain how a central bank will use its tools of monetary policy to stimulate the economy.

COURSE OUTLINE:

Test 1: Chapters 1, 2, 3, and 4

Test 2: Chapters 5, 6, and 7

Test 3: Chapters 8 and 9

Test 4: Chapters 10, 11, 12, and 13

PROJECT: Please choose a topic that we discuss in class and relate it to an article from a credible source. Cite your source; do not submit copies of the articles.

*Suggested sources: The New York Times, US News and World Report, The Economist, Wall Street Journal and of course the internet.

A few suggested topics: The Debt Ceiling, Social Security, taxes, the FED's policy, the C.P.I., the Economist's Tool Kit.

The report is due at the end of the appropriate unit.

The test schedule is to a degree flexible.