

Principles of Macroeconomics
Eco – K101
Mr. Phil Mayer

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OFFICE HOURS (Office C208, beyond library in C wing, 2nd level)
Monday 10:30-11am; 11:00-noon tutoring in C117; 12:30-1
Wednesday 8:15-9am; 12:15-1pm
Friday 11-noon tutoring in C117; 3-4pm

COURSE DESCRIPTION: This class introduces students to the fundamentals of the economic system and economic cycle and to problems inherent in our economic system, such as inflation, recession, and unemployment. Discussion of money and banking, national income measures, and ways to stabilize the economy are all included. Students should learn how to think like an economist.

REQUIRED TEXT: *Introduction to Macroeconomics* by Gerald Stone.

STUDY AID: There are two CDs in the Mohegan library under my name. You may use them in the library to reinforce key concepts discussed in class such as supply and demand, aggregate supply and demand, recession, inflation, stagflation, and monetary economics.

GRADES

4 tests (top 3 grades, 20% each)	60%	100-94 = A	79-77 = C+
Homework	10%	93-90 = A-	76-73 = C
Project	10%	89-87 = B+	72-70 = C-
Final *	20%	86-83 = B	69-67 = D+
		82-80 = B-	63-66 = D
			62-60 = D-

* If you have a “91” test average – including all tests – then you are exempt from the final.

ATTENDANCE: It is important that you attend class; you cannot learn if you’re not there. Numerous unexcused absences (more than 5 unexcused absences and/or disruptions) will affect your grade. It is your responsibility to get all notes, materials, and assignments for any classes that you miss. If you regularly miss class, or are consistently late and/or consistently leave early, that will be a clear signal to me that you do not care about grade; consequently, failure to regularly attend class and/or consistent disruption of class will result in the lowest test grade **NOT** getting dropped.

I expect all of my students to have the integrity and character to be honest at all times. Students caught cheating will get a “0” on that test, and it will not be dropped. In addition, you may get an “F” in the class regardless of your average.

We will at times discuss issues which people have different opinions about. Please remember to respect each other and act civilly at all times.

Make-up exams will be given ONLY if the student has contacted the instructor PRIOR to the test. Make-ups will be administered during my regular office hours ONLY. Students **MUST** take the exam **BY THE NEXT SCHEDULED CLASS TIME – NO EXCEPTIONS**. Failure to follow this policy will result in either a grade of 0 on that test, a penalty of 10 to 20 points, and/or a make-up exam that is all essay. You will be allowed to take one make-up exam per class per semester.

Ten points per day will be deducted from any assignment that is late. In the real world, those who can’t meet deadlines are fired.

Snow: In the event of wintery weather, please listen to 106.5, Q105, I-98, 1350AM, or WSUB for cancellations. If you do not hear that Three Rivers Community College is closed, that means we are open. You can also look at the website www.trcc.commnet.edu or call the switchboard at 886-0177 for weather info. If you do not hear we are closed, TRCC is open and class will be held. **I will be at school in the event of snow.** However, if you believe that it is too dangerous to come to class, that’s understandable; you are still responsible for finding out what you missed (see tentative course outline on third page) and learning that material.

*** The best way to study for my tests is to study my lecture notes and the homework I assign. It is important that students learn ALL of the definitions we discuss in class; toward that end, students will find making “flashcards” with the word on one side and the definition on the other useful. These flashcards can be used to learn about the various graphs we discuss as well.

COURSE OUTLINE

TEST 1: Chapters 1, 2, 4, handouts (Wed. Sept 19)

NO CLASS 09/03 – Labor Day

NO CLASS Friday 09/07 or Friday 10/12

TEST 2: Chapters 5, 6, handout, (Wed. Oct. 17)

No class Friday Nov. 9, Monday 11/12 – Veteran’s Day or Wed 11/21

TEST 3: schools of economic thought,(*) Ch. 9, handout on Aggregate Expenditures model 9*), Ch. 8, 10, p. 249-254,) * = not in textbook (Wed Nov. 14)

TEST 4: monetarist school of economic thought, Chapters 12, 13, and p. 314-322, problems facing CT handout (Monday Dec. 10)

FINAL: take-home, due *Friday, Dec. 14* by noon (NO CLASS – please email me the final or drop off at my office)

Suggested tool for questions and help about personal finance: <http://www.ing.com/Our-customers/Be-Good-at-Money.htm>

PROJECT: Due: Monday November 5, 2012. PLEASE DO NOT EMAIL ME THE PAPER! (You may submit homework via email if you can't make it to class) Find seven newspaper, magazine, or internet articles (credible sources, only) about the economy. At least 2 of these articles must be international, one must be on the nation's economy, 1 must be on the economy of New London County (or the county where you live) and 1 must be on the economy of Connecticut (or the state where you live). Summarize these articles, and relate them to what you've learned in class. The paper should be 4 to 5 pages in length doublespaced. Cite your sources completely (any format acceptable)! (I do not need you to submit copies of the articles). If the article relates to a topic discussed in class, then describe how it relates. Grammar is 25% of your grade. You will lose 5 points if you do not use a stapler.

Suggested sources: The New London Day (theday.com), the Hartford Courant (ctnow.com), The New York Times, Time magazine, Newsweek, U.S. News and World Report, The Economist magazine, cnn.com, abcnews.com, nbcnews.com, Wall Street Journal (online.wsj.com/public/us). The articles you see should be from June 1, 2012 or more recent unless you have my permission to use an older article. All of the sources listed above are available at the Learning Resource Center. If you need help, ask me or the librarian ☺

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.

Tentative Outline for class:

Week 1 (Week of Mon. August 29): introduction to class,

Week 2 (Sept 5) No class 09/05 chapter 1; chapter 2 and handouts

Week 3 (Sept 12): finish handouts; roles of government; social security; review for test; test 09/16

Week 4 (Sept. 19: introduce business cycle; begin handout

Week 5(Sept 26) Begin chapter 4-6 math; handouts

Week 6: Oct 3: handouts

Week 7 (Oct 10): complete chapter 6., review for test 2; test 2 on Oct 14

week 8 (Oct 17) chapter 10 and handout;

week 9 (Oct 24) aggregate expenditures handout

week 11 (Oct 31): finish aggregate expenditures handout, chapter 11, schools of economic thought,

week 12 (Nov 7): chapter 12 fiscal policy; no class 11/11

week 13 (Nov. 14) review for test; test 11/18

week 14 (Nov. 21): chapters 7 and 8

week 15 (Nov 28: finish 7 and 8

week 16 (Dec 5) Phillips curve; problems facing Connecticut (Rusk); review for test; Test 4 on Dec 9

TAKE HOME FINAL DUE BY 4pm on Thursday Dec 15!

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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.