This course is designed to introduce the subject of economics and to present a descriptive and theoretical analysis of the American economy. The course will describe major economic policy problems confronting the U.S. today --- including the growing international dimension of U.S. economic activity. A major focus of this course will be a detailed description of the principal macroeconomic policymakers in the United States and their interrelationships. The course will also discuss the basic theoretical tools with which an analysis of various macroeconomic policies can be undertaken.

RATIONALE: Principles of Macroeconomics is one of the foundation courses for the study of economics. The course should promote intelligent and sophisticated analysis of economic issues and problems.

GOAL: Students will become analytical thinkers and therefore better-informed voters, workers, and consumers.

EXPECTED OUTCOMES: Successful work in this course will enable students to:

1. Explain the nature of economics and the types of issues and problems that comprise macroeconomics.

2. Understand the concept of opportunity cost and use it to analyze economic decision-making.

3. Use supply-demand analysis to explain how markets function.

4. Explain the basic macroeconomic performance indicators, such as: Gross Domestic Product, the Consumer Price Index, and the unemployment rate.

5. Explain the methods and objectives of fiscal and monetary policy.
6. Describe the principal macroeconomic policymakers in the United States and the components of macroeconomic policy for which they are responsible.

7. Differentiate among the principal schools of modern macroeconomic theory; Keynesians, Monetarists, and Supply-Side economists.

8. Describe the international economic effects of U.S. macroeconomic activity and macroeconomic policies.

REQUIRED READINGS. There are two items to purchase:

Principles of Macroeconomics, 6th edition, Case, Karl E. and Ray C. Fair

ASSIGNMENTS:
Read one "In the News" section (on the Internet) before each of the three exams (for a total of three written assignments), and respond to the appropriate "Talking it Over and Thinking It Through" questions. You can access the “In the News” questions at http://myphlip1.pearsoncmg.com/

Log in as a first time student user. You will input a user name and password. (Use that name and password each time you access this site.) To complete your assignment, click “Browse,” then click “Economics.” Be sure to choose the correct text at the very bottom of the page, (Principles of Macroeconomics, 6th edition, by Case and Fair). Choose “In The News.” Pick the chapter you wish to access, and choose one topic from that chapter. Click on it. Read the article and answer all questions. Your response should NOT be a lengthy essay incorporating all the questions. Rather, you should simply answer each question succinctly and to the point.

Assignments must identify the chapter number and repeat the questions you choose to answer. Papers must be typed, double-spaced, and each one should be no more than two pages long. Each assignment is due according to the schedule below, or e-mail them as a Microsoft Word attachment before the due dates.

REQUIRED VIEWINGS

Videos of Lessons 1 through 24 as listed under “Class Outline.”
EXAMINATIONS

There will be three exams: September 27, 2003; November 15, 2003; and December 6, 2003. Each exam will be administered at 7:20 p.m.

There will be a study session for the second exam on November 8, 2003. The website also has sample test questions. You will find them helpful in preparing for the exams.

CLASS OUTLINE

Chapter 1: The Scope and Method of Economics (Videos 1 & 2)
Chapter 2: The Economics Problem: Scarcity and Choice (Videos 3 & 4)
Chapter 3: Demand, Supply, and Market Equilibrium (Videos 6, 7 & 8)
Chapter 4: The Price System and Demand and Supply (Videos 7 & 8)
Chapter 5: Introduction to Macroeconomics (Videos 11, 12 & 13)
Chapter 6: Measuring National Output and National Income (Videos 9 & 10)
Chapter 7: Long Run and Short Run Concerns: Growth, Productivity, Unemployment and Inflation (Videos 11 & 12)
Chapter 8: Aggregate Expenditure and Equilibrium Output (Video 14)

EXAMINATION #1 (covers Chapters 1 - 8 and videos 1 - 4 and 6 - 14)
ASSIGNMENT #1 from any chapter, 1 - 8, is due on the date of the first exam or earlier.

Chapter 9: The Government and Fiscal Policy (Videos 15, 16 & 17)
Chapter 10: The Money Supply and the Federal Reserve System (Videos 5, 19 & 20)
Chapter 11: Money Demand, the Equilibrium Interest Rate, and Monetary Policy (Video 21)
Chapter 12: Money, the Interest Rate, and Output: Analysis and Policy (Video 22)
Chapter 13: Aggregate Demand, Aggregate Supply, and Inflation (Video 23)
Chapter 14: The Labor Market, Unemployment, and Inflation (Video 18)
Chapter 15: Macroeconomic Issues and Policy (Video 23)
Chapter 16: Household and Firm Behavior in the Macroeconomy: A Further Look
Chapter 17: Long-Run Growth
EXAMINATION #2 (covers Chapters 9 - 17 and videos 5 and 15 - 23)

ASSIGNMENT #2 from any chapter, 9 – 17, is due on the date of the second exam or earlier.

Chapter 18: Debates in Macroeconomics: Monetarism, New Classical Theory, and Supply Side Economics (Video 13)
Chapter 19: International Trade, Comparative Advantage, and Protectionism (Video 24)
Chapter 20: Open-Economy Macroeconomics: The Balance of Payments and Exchange Rates (Video 24)
Chapter 21: Economic Growth in Developing and Transitional Economic Systems (Video 24)

EXAMINATION #3 (covers Chapters 18 - 21 and videos 13 & 24)

ASSIGNMENT #3 from any chapter, 18 – 21, is due on the date of the final exam or earlier.

EVALUATION:

30% Examination #1 on Chapters 1 - 8, multiple choice
4% Assignment #1, "In the News" (choose any one set of questions, Chapters 1 - 8)

38% Examination #2 on Chapters 9 - 17, multiple choice
4% Assignment #2, "In the News" (choose any one set of questions, Chapters 9 - 17)

20% Examination #3 on Chapters 18 - 21, multiple choice
4% Assignment #3, "In the News" (choose any one set of questions, Chapters 18 - 21)
## Scoring rubric for Assignments:

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<thead>
<tr>
<th>100 points</th>
<th>80 points</th>
<th>60 points</th>
<th>40 points</th>
<th>20 points</th>
<th>0 points</th>
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<tr>
<td>Answers all questions fully.</td>
<td>Answers most questions fully.</td>
<td>Answers some questions fully.</td>
<td>Answers few questions fully.</td>
<td>Answers no questions fully.</td>
<td>Assignments not completed and turned in on time.</td>
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<tr>
<td>Analyzes all questions using appropriate economic concepts from text.</td>
<td>Analyzes most questions using appropriate economic concepts from text.</td>
<td>Analyzes some questions using appropriate economic concepts from text.</td>
<td>Analyzes few questions using appropriate economic concepts from text.</td>
<td>Analyzes no questions using appropriate economic concepts from text.</td>
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<td>Contains fewer than 3 errors in grammar or mechanics.</td>
<td>Contains 3 or 4 errors in grammar or mechanics.</td>
<td>Contains 5 or 6 errors in grammar or mechanics.</td>
<td>Contains 7 or 8 errors in grammar or mechanics.</td>
<td>Contains more than 8 errors in grammar or mechanics.</td>
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