

**UNIVERSITY OF HAWAII AT MANOA  
DEPARTMENT OF ECONOMICS**

**Principles of Economics: Macroeconomics**

Econ 131  
Fall 2004  
TR 7:30-8:45 am  
ARCH 205

Instructor: Termdham Sitthilert  
Office: Saunders Hall 507  
Phone: 956-8791  
Office Hours: T 8:45-9:45 am  
Email: [termdham@hawaii.edu](mailto:termdham@hawaii.edu)  
TA: Davis Kawamoto  
Office: Saunders Hall 539  
Phone: 956-8639  
Office Hours: TBA  
Email: [daviskaw@hawaii.edu](mailto:daviskaw@hawaii.edu)

**1. Required Text**

Principles of Macroeconomics. 3<sup>rd</sup> ed. Mankiw, N. G., Thomson South-Western

**2. Course Description**

This course introduces you to macroeconomic analysis. As an introductory course, it has no prerequisites. The course will examine how the entire economy operates and performs. It is designed to provide you with tools to understand various macroeconomics phenomena, such as: changes in general price level, employment and national income. What are the causes and consequences of those changes? What government can do to promote the key macroeconomics goals: stability, growth and equity?

**3. Class Website**

You can go to <http://www2.hawaii.edu/~daviskaw/econ131/> for lecture notes, homework solutions, and announcements.

**4. Course Grades**

Grades will be determined by your performance on a midterm exams, a final exam, homework, and class participation. Course grades will be assigned using +/- grading.

**a) Midterm and Final Examinations**

The **midterm exam 1** will be given on **Sep 30, 2004** and will count for 25% of your grade. The **midterm exam 2** will be given on **Nov 23, 2004** and will count for 25% of your grade. The **final exam** will be given on **Dec 14, 2004** from 7:30 – 9:30 am and

will count for 30% of your grade. **All exams must be taken in class on the assign date and time.** No alternative time will be offered except in extraordinary cases. The only acceptable reason for missing an exam is your own illness or other family emergencies. You must also have a signed excuse from your physician in case of illness stating the nature of your illness (a statement saying that you were not feeling too well is **NOT** enough).

**b) Homework**

The homework will be assigned in order to help you understand the materials in class. This will count for 10% of your grade.

**c) Class Attendance**

This will count for 10% of your grade

In sum: Midterm 1:	25%
Midterm 2:	25%
Final:	30%
Homework:	10%
Class Attendance:	10%

#### 4. TENTATIVE LECTURE SCHEDULE & READINGS

Lecture	Date	Topic	References
1	Aug 24	10 Principles of Economics	Ch 1
2	Aug 26	Thinking like an economist	Ch 2
3	Aug 31	Interdependence and the Gains from Trade	Ch 3
4	Sep 2	The Market Forces of Supply and Demand	Ch 4
5	Sep 7	The Market Forces of Supply and Demand (cont.) Elasticity and Its Application	Ch 4 Ch 5
6	Sep 9	Elasticity and Its Application	Ch 5
7	Sep 14	Supply, Demand, and Government Policies	Ch 6
8	Sep 16	Consumers, Producers, and the Efficiency of Markets	Ch 7
9	Sep 21	Application: The Costs of Taxation	Ch 8
10	Sep 23	Application: International Trade	Ch 9
11	Sep 28	Review Session 1	
12	Sep 30	<b>Midterm Exam 1</b>	Ch 1- Ch 9
13	Oct 5	Measuring a Nation's Income	Ch 10
14	Oct 7	Measuring the Cost of Living	Ch 11
15	Oct 12	Production and Growth	Ch 12
16	Oct 14	Saving, Investment, and the Financial System	Ch 13
17	Oct 19	The Basic Tools of Finance	Ch 14
18	Oct 21	Unemployment and Its Natural Rate	Ch 15
19	Oct 26	Unemployment and Its Natural Rate (cont.) The Monetary System	Ch 15 Ch 16
20	Oct 28	The Monetary System (cont.) Money Growth and Inflation	Ch 16 Ch 17
21	Nov 2	No Class: Election Day	
22	Nov 4	Money Growth and Inflation (cont.)	Ch 17
23	Nov 9	Open-Economy Macro: Basic Concepts	Ch 18
24	Nov 11	No Class: Veteran's Day	
25	Nov 16	A Macro Theory of the Open Economy	Ch 19
26	Nov 18	Review Session 2	
27	Nov 23	<b>Midterm Exam 2</b>	Ch 10- Ch 19
28	Nov 25	No Class: Thanksgiving	
29	Nov 30	Aggregate Demand and Aggregate Supply	Ch 20
30	Dec 2	Aggregate Demand and Aggregate Supply (cont.) The Influence of Monetary and Fiscal Policies on Aggregate Demand	Ch 20 Ch 21
31	Dec 7	The SR Tradeoff b/w Inflation and Unemployment	Ch 22
32	Dec 9	SR tradeoff (cont.) Five Debates over Macroeconomic policy	Ch 22 Ch 23
33	Dec 14	Review Session 3	
34	May 11	<b>Final Exam</b>	Ch 1- Ch 23