

Economics 131 Principles of Economics: Macroeconomics

Spring 2006, Section 004

MWF: 11:30 a.m. – 12:20 p.m.

Instructor: David Ching

Office: Saunders Hall: 531

Office Hours: MF: 10:30 a.m. – 11:15 a.m. (or by appointment)

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Course Description

Macroeconomics is the science of how the overall economy performs. This class will introduce the student to the principles of macroeconomics. These principles include but are not limited to the cause and effects of inflation, unemployment, economic growth, monetary and fiscal policy, exchange rates, balance of payments, and international trade. We will also examine and differentiate between the different macroeconomic theories in recent history that have shaped the science of economics.

There is no prerequisite for this course.

Class Resources

The following course materials are available at the university bookstore:

Text: Miller, Roger Leroy, Economics Today: The Macro View,
Special Edition for University of Hawaii.

Grading Schedule

Grades will be based on the following:

Midterm 1	20%
Midterm 2	20%
Final Exam	35% (Comprehensive)
Paper	15%
Pop quizzes	10%

I will be using the plus/minus system for assigning final grades. I reserve the right to make any changes to class policy **and** schedule. You will be informed of any changes that occur.

Midterms and Quizzes

Midterms: will be multiple choice and short answers. There are no make-up exams.

Quizzes: will not be announced prior and will be given at the beginning or end of classes.

Quizzes may cover any topic that has been covered in class, but will probably focus on

the most recent material up to the last lecture. There will be no make-up quizzes for any reason. Once quizzes are collected none will be given or accepted.

Students lowest quiz grade will be dropped from grading consideration (and the next lowest quiz grade may be replaced with a 2 page paper on current events from the newspaper, magazines, or other type of resources of the students choice that applies concepts and theories learned in this course). The paper must show application of concepts and theories learned IN CLASS AND/OR IN THE TEXT.

A “book report” type of paper will receive a grade no higher than a 50%.

Attendance and Class Participation

Attendance is mandatory and class participation may provide extra-credit points when indicated by the instructor. Extra credit will be on a voluntary basis. (The best way to take advantage of the extra-credit when the opportunity arises is to be as prepared as possible for class.)

Homework

Preparing by reading the chapter in advance is the required homework. Suggested problems or readings may be assigned and may be reviewed in class when time permits, but will not be collected.

Academic Honesty

Cheating and plagiarism will not be tolerated. Failure to comply with University of Hawaii guidelines of academic honesty may result in a failing grade in the course and further action taken by the university. Please do not attempt to test this guideline.

Cell phones and pagers: I respect the students’ need for communication provided the following rules are followed without exception:

1. Devices are set on vibrate or silent mode.
2. Do not answer phone in class. Please leave instead of disrupting those around you.
3. All phone conversations are to be completed before reentering class.

Please respect these rules so no other steps need to be taken to assure compliance.

Paper: Must be 3-4 pages in length on select topics to be discussed in class. Paper must include references and follow proper writing guidelines. **The paper topic will be introduced at a later date.** Protocol for paper submission will be:

- Email me with chosen topic
- After receiving approval for topic, print our correspondence history from email.
- Include correspondence with final hard copy paper on due date.

Only hard copy drafts will be accepted. Emailed final drafts will not be acknowledged.

Please come prepared having completed the assigned reading for each class. The textbook provides a good foundation for understanding definitions and basic concepts. Due to limited time and an abundance of material, some basic material may not be covered in class however you will be responsible for this information for the exams.

The material in this course is valuable and can be very rewarding. Taking the time to learn the fundamentals will allow the student to take advantage of the knowledge when the opportunity presents itself. (If not now then in the future!)

COURSE SCHEDULE

Please refer to this tentative course schedule in preparation for attending each class.

<u>Week of:</u>	<u>Topics Discussed</u>	<u>Chapter</u>
Jan 09	Course Overview, Intro Macroeconomic Issues and policy challenges	1 7
Jan 16	Scarcity Demand, Supply and Equilibrium	2 3
Jan 23	...continued	
Jan 30	Measuring Macroeconomic Performance Economic Growth	8 9
Day of Feb 08 Day of Feb 10	Review for first midterm First Midterm Examination	
Feb 13	Output and prices in the Long Run	10
Feb 20	Classical and Keynesian Macroeconomics	11
Feb 27	Consumption, Income, and the Multiplier (Selected topics – Online version of text – Ch.12)	Not in text
Mar 06	Fiscal Policy	13
Mar 13	Deficit Spending and Public Debt	14
Day of Mar 22 Day of Mar 24	Review for second midterm SECOND MIDTERM	

Mar 27	Spring Break	
Apr 03	Discuss Paper Topic Money, Banking, and Central Banking	15
Apr 10	Money Creation and Deposit Insurance	16
Apr 17	Monetary Policy	17
Apr 24	Stabilization in the world economy Comparative Advantage & Open Economy	18 33
May 01	Exchange Rates and Balance of Payments	34
May 03	Last Day of Instruction! Papers due <u>by end of class!</u> – Late papers not accepted. Final Exam Review	
May 08	FINAL EXAM – comprehensive (5/8 Mon, Noon – 2 p.m.)	

Final Exam: Please check your schedule of courses to confirm your final exam schedule. If you are not willing and/or able to take the final exam at the time indicated (due to travel arrangements, multiple exams scheduled, time conflicts, etc.), please do not take this class. I will not administer early or late exams.