

## **ECON 131 Principles of Macroeconomics Summer Session I 2008**

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Classroom: BusAd D106  
Time: MTWRF 9:00-10:15am  
Office Hours: Wed/Thur 10:30am-12:00noon  
or by appt.

\*Please don't leave a message

### **Course Description**

This is an introductory course that covers how the economy functions as a whole. Topics include the causes and effects of important macroeconomic indicators, such as output, growth, prices and inflation, and unemployment; the financial markets and the Fed's monetary policies; the government budget and fiscal policies; business cycles; the determinants of growth rates; exchange rate fluctuation and trade imbalances; and the government's role in promoting economic growth and stabilizing the economy. Although there is no prerequisite for this course, some topics involve basic algebra (e.g. solving linear systems of equations) and two-dimensional graphical analysis.

### **Resources**

**Required text:** Robin Bade and Michael Parkin, *Foundations of Macroeconomics*, 3<sup>rd</sup> ed, 2007.

**Required on-line resource:** *MyEconLab – CourseCompass* – see below for registration and payment information.

All course communication will be done via *CourseCompass*. Documents and grades will be posted under "Course Materials," while reminders and updates will be posted under "Announcements." Please be sure to check for announcements daily. The best way to contact the instructor is via email.

### **Grading**

Your course grade will be based on the following:

On-line homework	15%
Pop quizzes	15%
Midterm exam	30%
Final exam	40%

The plus / minus (+ / -) grading system will be used for this course.

### **On-line Homework**

There will be weekly homework assignments due on *CourseCompass*. All on-line assignments will be due on Fridays at 8:00pm Hawaii Standard Time. You may begin an assignment at anytime and can return to the assignment to continue working or change answers as many times as desired up until the specified due date and time. Once the due date and time have passed, you may no longer respond to on-line assignment questions. There will be no extensions allowed for on-line homework.

### Optional Written Problem Sets

Written problem sets will be posted on the *CourseCompass* web page. These assignments are optional and **DO NOT** need to be submitted. They are intended for students to practice applied problems that require drawing graphs, explaining intuition behind the theories discussed and responding in a more involved manner than is allowed by multiple choice questions. It is highly recommended that students attempt these problem sets to prepare for the exams.

### Unannounced Quizzes

To ensure that students keep up with the reading and follow the lectures, and to reward those who do, there will be periodic **unannounced** quizzes worth several points each. Quizzes may be given at any time during a lecture and will take no more than ten minutes. Quiz questions will come from both recent text readings and lecture.

### Exams

A midterm exam and a final exam will be given. The final exam **WILL** be cumulative. Exam questions will be based on both the text and lectures. There will be a multiple choice section with questions similar to those from the on-line homework assignments, and a written applied section with questions similar to those from the optional homework assignments. There will be an in-class review session before each exam. These dates are provided below.

The midterm and final exams are scheduled for the dates in the schedule below. Please do not make any travel arrangements that would prevent you from taking any of the exams. **THERE ARE NO MAKE-UP EXAMS UNDER ANY CIRCUMSTANCES, AND NEITHER EXAM MAY BE TAKEN PRIOR TO THE SCHEDULED DATE AND TIME.** Please plan accordingly.

### *Students with Disabilities*

If you have a documented disability that requires reasonable accommodations (e.g. for exams), please contact the KOKUA Program at 956-7511 (located in QLCSS Room 013) to make arrangements.

### *Academic Honesty*

The University of Hawaii has strict standards regarding academic honesty and does not refrain from imposing severe penalties for dishonesty. Please consult this section of the University Catalogue for specific language and possible consequences.

### *Suggestions for Success*

Learning economics involves repeated review of often intricate details. This requires not only an understanding of economic concepts, but developing the skill of applying such concepts to real-world examples. In a summer course, it is particularly easy to fall behind quickly. Students are thus encouraged to do the assigned readings before attending the corresponding lecture, attend all lectures, complete all on-line homework assignments, complete all optional problem sets to ensure understanding of the applied problems and meet with the instructor as needed.

## Course Schedule

DATE	MATERIAL	CHAPTER
M, May 26	Holiday (Memorial Day)	
T, May 27	Course overview; Intro to Economics	1
W, May 28	The Macroeconomy	2
R, May 29	Economic Fundamentals	3
F, May 30	Economic Fundamentals	3
M, June 2	Demand, Supply & Equilibrium	4
T, June 3	Demand, Supply & Equilibrium	4
W, June 4	Measuring Economic Activity	5
R, June 5	Measuring Economic Activity	5
F, June 6	Inflation	7
M, June 9	Inflation	7
T, June 10	The Labor Market & Unemployment	6
W, June 11	Holiday (King Kamehameha Day)	
R, June 12	Review for Midterm Exam	1-7
F, June 13	<b>Midterm Exam</b>	1-7
M, June 16	Potential GDP	8
T, June 17	Investment, Savings & Capital Formation	9
W, June 18	Investment, Savings & Capital Formation	9
R, June 19	Economic Growth	10
F, June 20	Money	11
M, June 23	Monetary Policy & Interest Rates	13
T, June 24	Aggregate Demand, Aggregate Supply & The Business Cycle	14
W, June 25	Aggregate Demand, Aggregate Supply & The Business Cycle	14
R, June 26	Fiscal & Monetary Policy	16, 18
F, June 27	Fiscal & Monetary Policy	16, 18
M, June 30	Exchange Rates & the Open Economy	20
T, July 1	Exchange Rates & the Open Economy	20
W, July 2	Review for Final Exam	8-11, 13-14, 16, 18, 20
R, July 3	<b>Final Exam</b>	1-11, 13-14, 16, 18, 20
F, July 4	Holiday (Fourth of July)	