

ECON 131 (601) Principles of Macroeconomics

Summer 2009 - Session I

MTWRF 9:00-10:15am, BusAd A102

Instructor: Jaclyn Lindo

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Office Hours: W 10:30am-12:30pm or by appt.

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.

Course Objectives

Upon completion of this course, students should: 1) be able to understand and apply basic macroeconomic models; and 2) be equipped to develop informed opinions about the Fed's monetary and the government's fiscal policies.

Resources

Required text: Robin Bade & Michael Parkin, *Foundations of Macroeconomics*, 4th ed, 2008.

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

All course communication will be done via *CourseCompass*. Weekly homework assignments will be completed on-line. Lecture slides, announcements and grades will all be posted on the course website. Students are expected to check the site daily for announcements.

Resource purchasing options

- a) Purchase a new textbook bundled with *CourseCompass* in *MyEconLab*.
 - If you choose this option, you do not need to purchase anything else.
 - Cost: price of your new bundled textbook (\$144.15 + tax at UH bookstore)
- b) Purchase a used textbook (not available at the UH bookstore).
 - If you choose this option, you must also purchase a *MyEconLab* student access code for \$30 (see registration instructions below).
 - Cost: price of your used textbook + \$30
- c) Purchase access to an electronic copy of the textbook (eText) via *MyEconLab* for \$70. You will have eText access until February 2010.
 - If you choose this option, you do not need to purchase anything else.
 - Cost of option (c): \$70

** Best way to contact the instructor.

Registering for CourseCompass

Before registering, you will need:

- 1) a valid email address (please use the email that you check on a daily basis);
- 2) our course ID below; and
- 3) a student access code. For Option (a) above, there is a code included with your text. For Option (b), you must purchase a code during registration. For Option (c), the code is included with the eText purchased during registration.

How to register:

- 1) Go to www.coursecompass.com.
- 2) Click on the "Register" tab under the "Student" option and follow the instructions.
 - When it prompts you, our course code is **lindo76396**.
 - Please provide an email address for an account that you check DAILY, as this is the account to which important course correspondence will be sent.

Course Communication

All course communication will be done via *CourseCompass*. Lecture slides, grades, assignment answer keys and announcements will all be posted on the course website. Please be sure to check the website daily for announcements. In the event of a pressing announcement, an email will be sent to the email address you provided for *CourseCompass* (however your email address will not be displayed).

If you have any questions regarding any part of the course, please email the instructor.

Grading

On-line homework	15%
Unannounced in-class quizzes	15%
Midterm Exam	30%
Final exam	40%
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	100%

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

On-line Homework

There will be weekly on-line homework assignments to be completed on *CourseCompass*. All on-line homework will be made available on Mondays and are due on Sundays at 8:00pm Hawaii Standard Time. You may begin an assignment at anytime after it becomes available, and you have two chances to complete each assignment. While the question concepts are similar in the second attempt, some of the scenarios may change. Both of your attempts will be scored, but only the higher score will count toward your homework grade. There will be **NO MAKE-UP HOMEWORK ASSIGNMENTS** offered and no extensions of due dates, so please plan your schedule accordingly.

Unannounced In-Class 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 five 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. Questions will be multiple choice and will resemble those found in the homework. Quiz questions are also good preparation for the exams. There will be NO MAKE-UP QUIZZES.

Exams

There will be one midterm exam and one final exam. The final exam **WILL NOT** be cumulative. Exams will be multiple choice and questions will be based on both the text and lectures. The best way to prepare for the exams is to review the on-line homework and in-class quiz questions. There will be an in-class review session before each exam.

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 either of the exams.

THERE ARE NO MAKE-UP EXAMS UNDER ANY CIRCUMSTANCES, AND NO 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 models. This requires not only an understanding of economic concepts, but developing the skill to apply such concepts to real-world examples. Students are thus encouraged to do the assigned readings before attending the corresponding lecture to maximize absorption of the material. Lecture attendance and completion of weekly on-line assignments are necessary to keep up with the material, however they alone will not guarantee success in the course. It is particularly easy to fall behind quickly in a condensed summer course, thus it is imperative that students seek help AS NEEDED. Spending just ten minutes with the instructor after class to clarify questions that came up during lecture will immensely help your continued accumulation of economics knowledge. Waiting until the week before the exam to ask a long list of questions is unlikely to prove a successful learning strategy. If you are unable to meet during any posted office hours, please email the instructor to set up an appointment.

Course Schedule

DATE	MATERIAL	CHAPTER
M, May 25	Holiday (Memorial Day)	
T, May 26	Course overview; Intro to Economics	1
W, May 27	The Macroeconomy	2
R, May 28	Economic Fundamentals	3
F, May 29	Economic Fundamentals	3
M, June 1	Demand, Supply & Equilibrium	4
T, June 2	Demand, Supply & Equilibrium	4
W, June 3	Measuring Economic Activity	5
R, June 4	Measuring Economic Activity	5
F, June 5	Inflation	6
M, June 8	Inflation	6
T, June 9	The Labor Market & Unemployment	7
W, June 10	Review for Midterm Exam	1-7
R, June 11	Holiday (King Kamehameha Day)	
F, June 12	Midterm Exam	1-7
M, June 15	Potential GDP	8
T, June 16	Potential GDP	8
W, June 17	Economic Growth	9
R, June 18	Investment, Savings & Capital Formation	10
F, June 19	Investment, Savings & Capital Formation	10
M, June 22	Money	11
T, June 23	Money, Interest Rates & Inflation	12
W, June 24	Aggregate Demand, Aggregate Supply & The Business Cycle	13
R, June 25	Aggregate Demand, Aggregate Supply & The Business Cycle	13
F, June 26	Fiscal Policy	16
M, June 29	Monetary Policy	17
T, June 30	Exchange Rates & the Open Economy	19
W, July 1	Review for Final Exam	8-13, 16-17
R, July 2	Final Exam	8-13, 16-17
F, July 3	Holiday (4th of July)	