

Department of Economics, University of Hawai'i at Manoa
Principles of Macroeconomics
Economics 131

Summer 2009 (Session II)

MTWRF 9:00 – 10:15

***** Preliminary – Subject to Change**

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Office hours: MW 10:30 – 11:30, or by appointment

Course Objective

Our goal in this course is to develop basic understanding and intuition on how the economy works at the aggregate level. We will start with an introduction to economics then we will proceed with basic macroeconomic concepts and problems – national output, national income, unemployment, inflation, and long-run growth.

The next part of the course will be devoted to studying the core of macroeconomic theory – goods and services market, money market, aggregate demand, aggregate supply, and the labor market. We will also analyze other macroeconomic issues such as stock market effects, deficit targeting, and household and firm behavior in the macroeconomy. Lastly, we will examine the world economy – international trade, exchange rates, and economic growth in developing and transitional countries.

Textbook

Packaged version of **Principles of Macroeconomics (9th Edition)** by Karl E. Case and Ray C. Fair, that contains customized version of the textbook, E-book, MyEconLab, CourseCompass, and study guide.

Grading

3 In-class Quizzes/Exercises	15%
6 Problem Sets	30%
Exam 1	15%
Exam 2	15%
Exam 3	15%
Attendance/Participation	10%
Optional: Paper	10 points will be added to the exam with the lowest score

Grades awarded will include +/- notation.

Attendance

There are 30 classes during summer session, therefore, each class is approximately 0.33% (total of 10%) of your total grade. In addition, class participation is encouraged and may earn you extra credits.

Problem Sets

There will be six problem sets (5% each), which have to be completed using MyEconLab and during the assigned time. Answering the problem sets serves as a review for students, therefore, answers can be changed once. This means that if your answer is incorrect the first time you try, you will be given a second chance to correct your answer. You may study with other students but online assignments should be completed individually.

In-class Quizzes/Exercises:

There will be three unannounced in-class quizzes/exercises (5% each). No make-up quizzes/exercises will be provided unless a valid reason and proof are provided, such as a signed excuse letter from the physician if ill. Cell phones and pagers cannot be used as calculators. In some cases, you may be asked to work in small groups to complete the exercises.

Exams

There will be three exams (15% each). No make-up exams will be provided unless a valid reason and proof are provided, such as a signed excuse letter from the physician if ill. Cell phones and pagers can not be used as calculators.

Academic Honesty

Cheating and plagiarism will not be tolerated. Anyone caught will automatically receive a grade of zero for that quiz/exam and will be subject to further action taken by the university.

Students with Disabilities

Please contact me to discuss any specific needs related to your documented disability. Students may also contact KOKUA program at 956-7511 or 956-7612 (room 013 at CLCSS).

**** Tentative Schedule**

Date	Topic	Chapters
July 06 -10	I. Introduction to Economics	Ch. 1, 2, 3, 4
	<i>Problem Set 1</i>	
	<i>Quiz 1</i>	
July 13 – 17	II. Concepts and Problems in Macroeconomics: <i>Introduction to Macroeconomics;</i> <i>Measuring National Output and National Income;</i> <i>Unemployment, Inflation, and Long Run Growth</i>	Ch. 5, 6, 7
	<i>Problem Set 2</i>	
	<i>Exam 1</i>	
July 20 – 24	III. Core of Macroeconomic Theory: (Goods Market) <i>Aggregate Expenditure and Equilibrium Output;</i> <i>The Government and Fiscal Policy;</i> (Money Market) <i>The Money Supply and the Federal Reserve System</i>	Ch. 8, 9 Ch. 10
	<i>Problem Set 3</i>	
	<i>Quiz 2</i>	
July 27 – 31	III. Core of Macroeconomic Theory: (Money Market) <i>Money Demand and the Equilibrium Interest Rate;</i> (AS-AD) <i>Aggregate Demand in the Goods and Money Markets;</i> <i>Aggregate Supply and the Equilibrium Price Level</i>	Ch. 11 Ch. 12, 13
	<i>Problem Set 4</i>	
	<i>Exam 2</i>	

Aug. 03 - 07	III. Core of Macroeconomic Theory: <i>The Labor Market in the Macroeconomy</i> IV. Further Macroeconomic Issues: <i>Policy Timing, Deficit Targeting, and Stock Market Effects;</i> <i>Household and Firm Behavior in the Macroeconomy</i>	Ch. 14 Ch. 15, 16
	<i>Problem Set 5</i>	
	<i>Quiz 3</i>	
Aug. 10 - 14	V. The World Economy <i>International Trade;</i> <i>Balance of Payments and Exchange Rates;</i> <i>Economic Growth in Developing Countries</i>	Ch. 19, 20, 21
	<i>Problem Set 6</i>	
	<i>Optional Paper Due</i>	
	<i>Exam 3</i>	