**econ 111: PRINCIPLES of mAcroeconomics**

**FALL 2013**

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Office Hours: Mondays 10:00-11:00am, Wednesdays 10:00-11:00am, Thursdays 3:00-4:00pm & by appointment as needed

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Course Information: Section 1939—Thursdays 4:30-7:20pm, Broome Library 2490

Textbook: Pearson Custom Business Resources for Econ 111, also known as

*Macroeconomics.* 4th edition, by R. Glenn Hubbard and Anthony Patrick O’Brien (Pearson

Prentice Hall), 2013.

Course Description: This course addresses the “study of the workings of the economy. Topics include national income accounting, business cycles, employment and unemployment, inflation, economic growth, financial institutions, fiscal and monetary policy, and international trade.”[[1]](#footnote-1)

Program Learning Goals: These are the skills we try to help you build in all MVS courses

1. Critical Thinking

2. Oral Communication

3. Written Communication

4. Collaboration

5. Conduct (Ethics)

6. Competency in Discipline

Course Learning Outcomes: Upon completion of this course, you will be able to

 1. Explain the workings of the national economy[[2]](#footnote-2) (1, 3, 6)

2. Describe and apply the scientific method to economic behavior (1, 3, 6)

3. Interpret aggregate measures of economic activity (1, 3, 6)

4. Describe the problems of unemployment and inflation (1, 3, 6)

5. Evaluate the costs and benefits of alternative forms of public policy (1, 3, 6)

Translation: We have two goals in any principles course. First, we must define the terms and concepts, so that we understand each other in discourse. Second, we must acquaint ourselves with our discipline, its accepted methods, common understandings, and disputes. The second purpose is a lot more fun, but is nigh-on impossible to complete without the first. It is very difficult to have an opinion as to whether the Fed should raise interest rates without knowing how it does that and what might happen if it did. As such, we will spend a lot of time on the *hows* and *whats* of macroeconomics—how do interest rates work, what is GDP, who counts as unemployed—and significantly less time on the *whethers*—should the Fed engage in additional quantitative easing, how quickly should the federal government balance its budget?

There are good reasons outside of being an economist to understand macroeconomic principles. Most information that everyday people use to judge how “the economy” is doing is measured and kept by the federal government. In order to understand how “the economy” is doing, we need to understand how these items are measured. Furthermore, this year’s election notwithstanding, macroeconomics really does enter into political debates! We require a rudimentary understanding of macroeconomics in order to determine whether the arguments we hear are sound or are excrement.[[3]](#footnote-3)

Grades: The grades you earn will reflect the degree to which you have absorbed the information as well as your ability to employ it in analytical tasks. I use the +/- system for grades; while people who get an 89 and a 91 are substantially similar in terms of the learning they have accomplished, people who get an 89 and an 81 are not. You deserve to have that reflected in your grade. I round to the nearest tenth of a percentage point on the final grade, and use “top 3/bottom 3” for pluses and minuses. Because I measure your performance against an absolute standard, rather than a relative ranking amongst your peers, please do not expect a “curve.”

I have four methods for determining how well you understand macroeconomics: tests (two midterms, one final), quizzes, assignments, and participation. The weights I assign each method are below, followed by some thoughts on each:

|  |  |
| --- | --- |
| First Exam | 25% |
| Second Exam | 25% |
| Final Exam | 30% |
| Quizzes/Assignments | 20% |

*Exams*. Exams allow me to see your breadth and depth of knowledge all at once, and let me see it for each of you. But they take at least an hour to administer and a weekend to grade. Thus there are few exams, but they make up the bulk of your grade. Because everybody can have a bad day, I reserve the right to re-weight your exams so that your best exam is worth 30%, rather than the final exam.

*Quizzes*. Quizzes are shorter than exams, but they limit my ability to assess both your depth and breadth of knowledge. All quizzes will be worth the same in determining your grade, but some will be longer than others. I don’t like multiple choice; they’ll usually involve some writing, some graphs (I like graphs), and some math (I like math, too!). Quizzes are always announced in advance, except for the first-day quiz.

*Assignments*. Assignments also contribute to your grade, but are worth 40 percent of a quiz. These tend to be problems that I post or “activities” that involve manipulating data, as well as readings, writings, or very brief presentations. Assignments are due on Tuesday at 11:59pm of the **week after they are assigned**; you either earn full credit for turning in a complete assignment to Blackboard, or nothing. I post the key right after they are due so you have it in preparation for the quiz.

*Participation.* Participation is part of your assignments. As you will see, this classroom has been “flipped” (more on this below). Assignments are a big part of what we do in class, so be there! A last note on participating in class: displays of chutzpah, panache, knowledge of current events, humor, and moxie always help you. Always.

Flipped Classroom: We are trying something called “flipping” the classroom; I’ve done it once before, and it was (mostly) successful. That is, I have pre-recorded lecture content and posted it on Blackboard (I’ll show you where). It is your responsibility to read the book outside of class, watch these lectures (probably multiple times) take notes on them outside of class, and begin homework assignments outside of class. In class, we will start classes with a time for questions on the lectures and reading, followed by time to work on the homework with my and your classmates’ assistance, and sometimes do classroom activities. My students last semester had the following advice: stay on top of the lectures; don’t think you can watch them all before an exam!

Attendance: Attendance is mandatory. Not only do quizzes and exams take place during class, but there are assignments and activities that only happen in class. Without getting your absence excused, you will get a zero on missed tests, quizzes, and in-class activities. Excuses are valid for health, university events, work, or the death of family. I may require additional confirmation for the death of family and for work.[[4]](#footnote-4)

Make-Up Exams or Quizzes: There are 2 midterms during the semester. The timeline of topics below is subject to change. You are responsible for any changes in the schedule announced in class. In the case of a missed exam or quiz, the next exam or quiz score will replace your missed score *provided your absence was excused*. Unexcused absences from exams or quizzes result in a grade of zero. Regardless of the reason for missing a quiz or exam, no make-up will be given. In the event that you anticipate a conflict associated with a university-sponsored event, contact me in the first two weeks of class to discuss arranging an alternative time near an exam or quiz to take it.

Grade appeals: If you believe that I misgraded your exam, quiz, or assignment, you may submit a written appeal no later than 2 classes after I return the exam or quiz. Attach the relevant exam or quiz along with a written explanation of the appeal. I will respond in writing. If there is still a disagreement, we can meet during my office hours.

Office Hours: My office hours are listed at the top of the syllabus. Do come visit; I get lonely. Also, I’m very helpful when it comes to clarification of lecture notes, the text, assistance with homework, or general advice on studying. If you cannot meet during office hours, contact me to set up an appointment. Be prepared when you visit; the more you have reviewed the material before coming to me, the more helpful I can be to you. And don’t forget: everybody else wants to talk to me right before the exam, too. It is easier to answer a question once than several times over. Form cabals.

E-mail: Throughout the semester, I will send you email with course announcements to your CI email address. If you regularly use another address, please set up email forwarding. Please do send email to ask questions about course material (e.g. clarification of lecture notes, homework problems, etc.); you can also come see me! On the other hand, please do not send email asking questions that are already addressed in the syllabus, posted on Blackboard, or announced in class (e.g. exam dates, office hours, grades). Finally, be aware that the University has a spam filter that may screen out email sent from third-party email providers (e.g. yahoo, hotmail). It's best to send me email from your CI account to my CI account.

Blackboard: I use Blackboard to post everything. Please check Blackboard at least daily.

Disability Accommodations: Channel Islands is committed to equal educational opportunities for qualified students with disabilities in compliance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) of 1990. The mission of Disability Accommodation Services is to assist students with disabilities to realize their academic and personal potential. Students with physical, learning, or other disabilities are encouraged to contact the Disability Accommodation Services office at (805) 437-8510 for personal assistance and accommodations.

Academic Honesty: I love a good heist movie, but I hate cheaters and plagiarizers with a hatred as hot as the heat of a thousand suns. If you cheat in my class, know that I am coming for you:

1. Academic dishonesty includes such things as cheating, inventing false information or citations, plagiarism and helping someone else commit an act of academic dishonesty. It usually involves an attempt by a student to show possession of a level of knowledge or skill that he/she does not possess.

2. Course instructors have the initial responsibility for detecting and dealing with academic dishonesty. Instructors who believe that an act of academic dishonesty has occurred are obligated to discuss the matter with the student(s) involved. Instructors should possess reasonable evidence of academic dishonesty. However, if circumstances prevent consultation with student(s), instructors may take whatever action (subject to student appeal) they deem appropriate.

3. Instructors who are convinced by the evidence that a student is guilty of academic dishonesty shall assign an appropriate academic penalty. If the instructors believe that the academic dishonesty reflects on the student's academic performance or the academic integrity in a course, the student's grade should be adversely affected. Suggested guidelines for appropriate actions are: an oral reprimand in cases where there is reasonable doubt that the student knew his/her action constituted academic dishonesty; a failing grade on the particular paper, project or examination where the act of dishonesty was unpremeditated, or where there were significant mitigating circumstances; a failing grade in the course where the dishonesty was premeditated or planned. The instructors will file incident reports with the Vice Presidents for Academic Affairs and for Student Affairs or their designees. These reports shall include a description of the alleged incident of academic dishonesty, any relevant documentation, and any recommendations for action that he/she deems appropriate.

4. The Vice President for Student Affairs shall maintain an Academic Dishonesty File of all cases of academic dishonesty with the appropriate documentation.

5. Student may appeal any actions taken on charges of academic dishonesty to the "Academic Appeals Board."

6. The Academic Appeals Board shall consist of faculty and at least one student.

7. Individuals may not participate as members of the Academic Appeals Board if they are participants in an appeal.

8. The decision of the Academic Appeals Board will be forwarded to the President of CSU Channel Islands, whose decision is final.

Schedule: You are responsible for knowing when I change the schedule, which I shall do in class and via Blackboard. Again, assignments and activities are due on Tuesday at 11:59pm of the **week after they are assigned** (e.g., assignment 1 and activity 1 are due Tuesday of week 2 at 11:59pm).

| **Week** | **Chapters** | **Quiz** | **Assignment** |
| --- | --- | --- | --- |
| 1 | GDP: Measuring Total Production and |  | Assignment 1 &  |
|  | Income |  | Activity 1 |
| 2 | Unemployment and Inflation | Quiz 1 | Assignment 2 &  |
|  |  | GDP | Activity 2 |
| 3 | Economic Growth, the Financial System, | Quiz 2 | Assignment 3 & |
|  | and Business Cycles | Unemp./Inflation | Activity 3 |
| 4 | Long-Run Economic Growth: Sources and | Quiz 3 | Activity 4 in class |
|  | Policies (will post online; not in packet) | Growth Part 1 | (Go home & study!) |
| **5** | **Exam 1**  |  |  |
|  |  |  |  |
| 6 | Output and Expenditure in the Short Run |  | Assignment 4 & |
|  |  |  | Activity 5 |
| 7 | Aggregate Demand & Aggregate Supply | Quiz 4 | Assignment 5 |
|  |  | Output & Exp in SR |  |
| 8 | Money, Banks, & the Federal Reserve System | Quiz 5 | Assignment 6 |
|  |  | AD/AS |  |
| 9 | Monetary Policy | Quiz 6 | Assignment 7 |
|  |  | Money |  |
| 10 | Fiscal Policy | Quiz 7 | Go home & study! |
|  |  | Monetary Policy |  |
| **11** | **Exam 2** |  |  |
|  |  |  |  |
| 12 | Inflation, Unemployment & Federal Reserve |  | Assignment 8 |
|  | Policy |  |  |
| 13 | Macroeconomics in an Open Economy | Quiz 8 | Assignment 9 |
|  |  | Inflation & the Fed |  |
| 14 | International Financial System | Quiz 9 |  |
|  |  | (Maybe) |  |
| 15 | TBD |  |  |
|  |  |  |  |
|  | **Final Exam (Date & Time TBA)** |  |  |

1. California State University Channel Islands 2012-2013 Course Catalog, pp. 237. [↑](#footnote-ref-1)
2. Economists have been arguing about the fundamental underlying model of how a nation’s economy works for several hundred years, and while there’s been some progress, there’s still substantial disagreement. This state of affairs isn’t changing in the next 15 weeks, so you’ll have to live with ambiguity. [↑](#footnote-ref-2)
3. Nine-tenths of all economic arguments made by elected officials or candidates are excrement, or at least very foul. The

other tenth is a glimmer of an honest comment that a political consultant somewhere is working hard to snuff out. [↑](#footnote-ref-3)
4. Many students seem to have an unusually large number of great aunts and uncles to whom they were particularly close, and bosses who are demanding *at the precise moment* that I give exams. Weird, right? [↑](#footnote-ref-4)