Principles of Macroeconomics

ECON 201-02  CRN 20325

MWF 8:00 – 8:50  TCFE 315

SPRING 2017

"It is better to look ahead and prepare than to look back and regret."

Jackie Joyner-Kersee, Olympic gold medalist

About This Course

Pre-requisite:
ECON 200 – Principles of Microeconomics
ECON 200 and ECON 201 are pre-requisite knowledge for MKTG 302 and FINC 303 and many upper level business courses.

I will share with you my knowledge and love of economics, my passion for learning, along with guidance for your success.

You will share with me your active participation in class, your personal preparation of all assignments, and an indication of your knowledge gained through your efforts when asked.

Course Description:
The foundation of aggregate economic analysis is presented, including identification of basic social goals, money, credit systems and theories of national income, employment and economic growth, how economic stability and growth are influenced by fiscal and monetary policy and international interdependence.

Marcia S. Snyder
College of Charleston
School of Business
5 Liberty Street,
Tate Center
Room 313

Phone:
843-953-4818

Email:
snyderm@cofc.edu

Office Hours:
MWF 10:00 – noon
And
By Appointment

"(The) economy is the method by which we prepare today to afford the improvements of tomorrow."

Calvin Coolidge, 30th President of the United States 1872-1933

Course Objectives

The pre-requisite knowledge learned in ECON 201 is necessary for successful completion of many of the upper level courses offered in the School of Business such as finance, marketing and production. Knowledge of macroeconomics also provides an understanding of the economic perspective and to reason accurately and objectively about policy alternatives impacting our daily lives.

Course Objective:
Students demonstrate factual knowledge of the macroeconomy and develop critical thinking and analytical skills through understanding macroeconomic models and concepts.

The School of Business learning goals
-QUANTITATIVE FLUENCY: Students demonstrate competency in logical reasoning and data analysis skills.
-GLOBAL AND CIVIC RESPONSIBILITY: Students identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students integrate knowledge and skills in addressing these issues.

Demonstration of achievement will be through completion of weekly homework assignments, in class exercises and on term and final exams.

College of Charleston General Education Student Learning Outcome:
Students apply social science concepts, models, and theories to explain human behavior, social interactions, and social institutions.

This learning outcome will be assessed using a short essay homework assignment.
**Required Course Materials- Text/homework**

*SaplingLearning e-text*  

Purchase online from [http://saplinglearning.com](http://saplinglearning.com) for $90.00 (includes e-textbook), $40.00 (without e-textbook) or you may purchase an access card from the bookstore.

*If you already have a Sapling Learning account*, log in then find your course in the list (you may need to expand the subject and term categories) and click the link.

Select a payment option and follow the remaining instructions.  
**New Students** click on “Register here”. Supply the requested information and click “Create my new account”. Check your email (and spam filter) for a message from Sapling Learning and click on the link provided in that email.

Find your course in the list (you may need to expand the subject and term categories) and click the link.

Select a payment option and follow the remaining instructions.

**If you have a Facebook account**, you can use it to quickly create a Sapling Learning account.

Click the blue button with the Facebook symbol on it (just to the left of the username field). The forms will auto-fill with information from your Facebook account (you may need to log into Facebook in the popup window first).

Choose a password and time zone, accept the site policy agreement, and click “Create my new account”. Find your course in the list (you may need to expand the subject and term categories) and click the link.

Select a payment option and follow the remaining instructions.

*SaplingLearning Technical Problems:*

During sign up - and throughout the term - if you have any technical problems or grading issues, send an email explaining the issue to support@saplinglearning.com

The Sapling support team is almost always more able (and faster) to resolve issues than your instructor.

“*Our progress as a nation can be no swifter than our progress in education. The human mind is our fundamental resource.*”

John F. Kennedy, special message to Congress on Education, 20 February 1961

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**Required Course Materials – i-clicker**

I will be using the i-clicker response system in class this term. I-clicker helps me understand what you know and gives everyone a chance to participate. I will also use this and sign-in sheets to log attendance. The attendance policy is on the next page.

Participation with i-clicker accounts for 15% of your final grade. You must bring your i-clicker to class every day. If you forget your i-clicker you will miss the points for that day.

i-clickers are available in the bookstore. You may use the original i-clicker, i-clicker +, or i-clicker 2.

Do not register your i-clicker online. I will do this in class.

**We will begin using i-clicker polling on Friday, January 20th. This application will be used every day in class.**

I consider bringing a fellow student’s i-clicker to class to be cheating and a violation of the College’s Honor Code. If you are caught with a remote other than your own or you have votes in class that you did not attend, you will forfeit all participation points and may face additional disciplinary action.

**ADDITIONAL COURSE MATERIALS**

PowerPoint lecture slides, homework assignments, and additional articles, videos, and podcasts are located on the Sapling Learning website.
Academic Integrity

Students at the College of Charleston are expected to adhere to the Honor System as outlined in the Student Handbook.


In the business school you learn about the legal environment of business and about ethical situations that are found in the workplace. You should consider the Honor Code not only as mandates for academic honesty, but as a first lesson in appropriate conduct in the workplace.

Specifically "The Honor System of the College of Charleston" is intended to promote and protect an atmosphere of trust and fairness in the classroom and in the conduct of daily life.

Any violation of the Codes will result in severe consequences.

Please read carefully and follow the "Classroom Code of Conduct," in the College of Charleston Student Handbook.

Attendance is required and will be assessed through sign-in on an attendance sheet each class period.

Class participation is required and will be assessed through the in-class i-clicker polling exercises.

I consider using another student’s i-clicker or signing a fellow student’s name to the attendance sheet to be cheating and a violation of the College of Charleston Honor Code.

If you have votes in a class that you did not attend, or signed in for a class you did not attend you will forfeit all points and may face additional disciplinary action.

Grading Scale and Procedures

The following point scale will be used for the course:

Percent of total points
A = 93-100
A- = 90-92
B+ = 87-89
B = 83-86
B- = 80-82
C+ = 77-79
C = 73-76
C- = 70-72
D+ = 67-69
D = 63-66
D- = 60-62
F < 60

Class Participation (i-clicker polling) 15%
Homework 15%
3 Term Tests** 45%
Comprehensive Final 25%

**Highest test score = 20%
2nd highest test score = 15%
Lowest test score = 10%
100%

Absences in excess of 6 classes will result in a grade of WA – withdrawal for excessive absences – which correlates to a grade of "F" in GPA calculations. Official College of Charleston sanctioned activities receive my full support and will be addressed on a case by case basis with regards to this policy. I will report your number of absences to you after each term test. It is your responsibility to keep up with the number of absences you have.

You are responsible for the material whether you are in class or not. Much of the material presented in class will not be in your book. Attendance will be taken using the iclicker polling in class exercises and sign-in sheets.

i-clicker polling exercises will be used every day in class, and you are responsible for being ready to participate when the exercises begin. If you are absent or forget your i-clicker you lose the points for that questions/day.

i-clicker Polling Scoring: One point is awarded for attempting the question, two points are awarded for answering the question correctly and a five point bonus for the session is awarded if all of the questions for the day have been attempted.

TEST FORMAT: All term exams and the final will be multiple choice formats.

Students are expected to arrive on time for exams.

Calculators may be needed to complete math questions. Calculator covers must be left in book bag or under seat. NO cell phones, MP3’s, I-Pods, etc. are allowed.

The Honor Code is in effect at all times.

"There are no secrets to success. It is the result of preparation, hard work and learning from failure.”

Colin Powell

"The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible.”

Dwight D. Eisenhower, 34th President of the United States, 1890-1969
Accessibility and Disability Statement

Students in the class, who have a documented disability and have been approved to receive accommodations through the Center for Disability Services / SNAP, please come and discuss this with me during my office hours.

You may make arrangements to take the test with me or at the SNAP testing center. I must have all relevant paperwork for testing at the SNAP test center at least 1 week in advance of the test.

Sometimes life events intrude on our day to day lives. Your success is important to me. My door is always open and I am a good listener. When life events intrude keeping you from meeting course requirements please come see me to discuss a solution.

EMAIL Policy: I always answer emails. If you do not receive an answer within 24 hours during weekdays I did not receive your email. I rarely check email after 8 pm during the week and only check email sporadically during weekends. Please plan accordingly.

Center for Student Learning

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies and course content. Faculty-recommended, highly trained ECON tutors are on staff and are available to work with you at no additional cost. Drop by the front desk at the CSL (first floor Addlestone Library), call 843.953.5635, or use the Request a Tutor link from the website http://csl.cofc.edu/labs/individual_tutoring/index.php.

For more information regarding these services please visit the CSL website at http://csl.cofc.edu.

If you are having particular difficulty with any of the material in this course:

-DO come and see me immediately, either during office hours or by making an appointment. Please read the appropriate sections of the textbook and review your notes BEFORE the appointment.

-Please DO NOT let it build up. The material is cumulative and you will likely find yourself falling further behind.

Late Assignments and Make-up Exams

Deadlines are a fact of life in the business world as well as in academia. Late assignments will not be accepted.

This syllabus indicates the tentative dates for exams and exams will be announced in class. The only exception is for College of Charleston sanctioned activities, and the student must bring me a request from the appropriate College official. Any other special circumstances will be dealt with on a case by case basis.

Please see me if you have any questions regarding this policy.

"To feel much for others and little for ourselves; to restrain our selfishness and exercise our benevolent affections, constitute the perfection of human nature."

Adam Smith, the Father of Economics 1723-1790
Student Engagement - Extra Credit Policy

Students who are actively engaged in their educational experiences, in both academic and professional settings, are better prepared for their professional, societal and personal lives after graduation. In an effort to encourage you to attend speaker events on campus and in the School of Business, **you may earn up to ten (10) extra credit points** to be added to your lowest term test points by attending the event and submitting an email to me using the following guidelines:

Each extra credit opportunity is worth 1 point.

To receive credit, please send a business memo via email to snyderm@cofc.edu with extra credit: speaker’s name or lecture topic in the subject line.

In the body of the email **(NO ATTACHMENTS)** write one to two paragraphs answering each of the following questions:

1. What did you learn? (If you think you did not learn anything – explain why.)
2. Was this a good use of your time? Explain.

Paragraphs should be grammatically correct with no spelling errors. Please make sure you have the speaker’s name and if pertinent, biographic information correct. Details of the speaker’s topic which are relevant to what you learned should be included in the paragraph.

Business memos should be to the point. Please avoid long, rambling and run on sentences. As your audience, I should be able to understand the message you learned from the presentation as well as if I attended the event.

Emails should be sent within **one week** of attending the event. I will always send a confirmation that I received your email. If you do not receive a confirmation – I did not receive your email. Please check the email address and resend.

If you enjoyed the speaker, please let him/her know. This can be accomplished by introducing yourself after the event or by sending a thank you note (I will find addresses if needed). These events are opportunities to network and build a foundation of contacts that may be able to help you in a job search or future career opportunity.

Enjoy!

Connect Event & Dean’s Student Forum

You may find events on the School of Business Student Calendar – **CONNECT EVENT** located on the School’s website at http://sb.cofc.edu/student-services/index.php

Check out the Dean’s Student Forum

http://sb.cofc.edu/studentservices/club-roster/dsf/index.php

or

The Dean’s Student Forum **Facebook Page** for the latest SB Updates!

**DISCLAIMER:** Although the Professor intends to follow this syllabus as closely as possible, there may be times when deviations from the material presented herein are necessary. Such examples might include (but are not limited to) natural disasters or major changes in the foundations of macroeconomic theory.

*Education is the most powerful weapon which you can use to change the world*

Nelson Mandela, 1918-2013
## Tentative Schedule of Assignments and Exams

Sapling Learning homework assignments are due on Sundays at 11:45 pm. Schedule is on [http://saplinglearning.com](http://saplinglearning.com)

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter (s)</th>
<th>Topics Covered</th>
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</thead>
<tbody>
<tr>
<td><strong>JAN</strong></td>
<td>11</td>
<td>Introduction</td>
</tr>
<tr>
<td>13</td>
<td>CH 6</td>
<td>Macroeconomics: The Big Picture</td>
</tr>
<tr>
<td><strong>16</strong></td>
<td>Martin Luther King Holiday</td>
<td>No class</td>
</tr>
<tr>
<td>18</td>
<td>CH 6 and 5</td>
<td>International Economics, Comparative Advantage</td>
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<tr>
<td>20</td>
<td>CH 5</td>
<td>Trade and Trade Protection</td>
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<tr>
<td>23</td>
<td>CH 7</td>
<td>Measuring the Macroeconomy, GDP</td>
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<tr>
<td>25</td>
<td>CH 7</td>
<td>GDP calculations, Real GDP, Nominal GDP</td>
</tr>
<tr>
<td>27</td>
<td>CH 7</td>
<td>GDP, Price Index calculations</td>
</tr>
<tr>
<td>30</td>
<td>CH 7</td>
<td>GDP, Price Index calculations</td>
</tr>
<tr>
<td><strong>FEB</strong></td>
<td>1</td>
<td>CH 8</td>
</tr>
<tr>
<td>3</td>
<td>CH 8</td>
<td>Unemployment</td>
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<tr>
<td>6</td>
<td>CH 8</td>
<td>Inflation, Deflation</td>
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<tr>
<td>8</td>
<td>CH 8, CH 16</td>
<td>Inflation, Disinflation, Deflation (no Phillips Curve)</td>
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<tr>
<td>10</td>
<td>CH 9</td>
<td>Long-run Economic Growth</td>
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<tr>
<td>13</td>
<td>CH 9</td>
<td>Long-run Economic Growth</td>
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<tr>
<td><strong>15</strong></td>
<td>Test #1</td>
<td>CH 5, 6, 7, 8</td>
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<tr>
<td>17</td>
<td>CH 10</td>
<td>Saving and Investment Spending</td>
</tr>
<tr>
<td>20</td>
<td>CH 10</td>
<td>Saving, Investment Spending and the Financial System</td>
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<tr>
<td>22</td>
<td>CH 10</td>
<td>Saving, Investment Spending and the Financial System</td>
</tr>
<tr>
<td>24</td>
<td>CH 10</td>
<td>Saving, Investment Spending and the Financial System</td>
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<tr>
<td>27</td>
<td>CH 11</td>
<td>The Multiplier (no Keynesian Cross Graphs just tables)</td>
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<tr>
<td><strong>MAR</strong></td>
<td>1</td>
<td>CH 11</td>
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<tr>
<td>3</td>
<td>CH 11</td>
<td>Income and Expenditure</td>
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<tr>
<td><strong>5-11</strong></td>
<td>Spring Break</td>
<td>No class</td>
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<tr>
<td>13</td>
<td>CH 12</td>
<td>Aggregate Demand and Aggregate Supply</td>
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<tr>
<td>15</td>
<td>CH 12</td>
<td>Aggregate Demand and Aggregate Supply</td>
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<tr>
<td>17</td>
<td>CH 12</td>
<td>Aggregate Demand and Aggregate Supply</td>
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<tr>
<td>20</td>
<td>CH 13</td>
<td>Fiscal Policy</td>
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<tr>
<td>22</td>
<td>CH 13</td>
<td>Fiscal Policy</td>
</tr>
<tr>
<td><strong>23</strong></td>
<td>LAST DAY TO WITHDRAW</td>
<td>Fiscal Policy</td>
</tr>
<tr>
<td>24</td>
<td>CH 13</td>
<td>Fiscal Policy</td>
</tr>
<tr>
<td><strong>27</strong></td>
<td>TEST #2</td>
<td>CH 9, 10, 11, 12 <em>the test will be either March 27th or 29th</em></td>
</tr>
<tr>
<td>29*</td>
<td>CH 13</td>
<td>Fiscal Policy</td>
</tr>
<tr>
<td>31</td>
<td>CH 13, 14</td>
<td>Deficits and Debt** and Money</td>
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<tr>
<td><strong>APR</strong></td>
<td>3</td>
<td>CH 14</td>
</tr>
<tr>
<td>5</td>
<td>CH 14</td>
<td>Money &amp; Banking</td>
</tr>
<tr>
<td>7</td>
<td>CH 14</td>
<td>The Federal Reserve</td>
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<tr>
<td>10</td>
<td>CH 15</td>
<td>Monetary Policy</td>
</tr>
<tr>
<td>12</td>
<td>CH 15</td>
<td>Monetary Policy</td>
</tr>
<tr>
<td>14</td>
<td>CH 19</td>
<td>Capital Flows and the Balance of Payments, Exchange Rates</td>
</tr>
<tr>
<td><strong>16</strong></td>
<td>General Education Essay due</td>
<td>11:45 pm</td>
</tr>
<tr>
<td>17</td>
<td>CH 19</td>
<td>Exchange Rates</td>
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<tr>
<td>19</td>
<td>CH 19 and 17</td>
<td>Crises and Consequences</td>
</tr>
<tr>
<td>21</td>
<td>CH 17</td>
<td>Crises and Consequences</td>
</tr>
<tr>
<td><strong>24</strong></td>
<td>Test #3</td>
<td>CH 13, 14, 15, 17, 19</td>
</tr>
<tr>
<td>26</td>
<td>Last day of Class Review Test 3 and Final</td>
<td></td>
</tr>
</tbody>
</table>

**REVIEW SESSION FOR FINAL Place and Time to be Determined.**

| Friday, May 5th | COMPREHENSIVE FINAL EXAM for: 8:00 – 8:50 class 8:00 – 11:00 | CH 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 19 |

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*Note: The test will be either March 27th or 29th.*
CONCEPTS OF LASTING VALUE

1. **RELATIVE SCARCITY**
   Make the most of what you’ve got

2. **OPPORTUNITY COST**
   There is no such thing as a free lunch

3. **REAL VERSUS NOMINAL VALUES**
   Concentrate on what is real, not just what is easy to see or DEEP LEARNING versus diplomas

4. **MODELS & ABSTRACT THINKING**
   It may be simplistic and unrealistic, but it’s extremely useful

5. **SUPPLY & DEMAND ANALYSIS**
   Teach a parrot the words ‘supply and demand’ and you’ve got an economist!

6. **EQUILIBRIUM**
   Where does the pendulum stop?

7. **KEYNESIAN MACROECONOMICS**
   I know the economy is in equilibrium because the unemployment line I’m standing in isn’t getting any longer or shorter.

8. **RULES VERSUS DISCRETION IN ECONOMIC POLICY**
   Hell is paved with good intentions versus Nero fiddles while Rome burns

9. **MUTUAL GAINS FROM TRADE**
   Maybe there is a free lunch

10. **INVESTMENT IS THE KEY TO GROWTH**
    No pain, no gain. You are investing in your human capital.

"You can’t build a reputation on what you are going to do."

**Henry Ford**

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**Recommended Reading List**

- Phishing for Phools: The Economics of Manipulation and Deception, George A. Akerlof and Robert J. Shiller
- Darwin Economics, Robert Frank
- The Economic Naturalist’s Field Guide, Robert H. Frank
- The Spirit Level, Richard Wilkinson and Kate Pickett
- The Price of Inequality, Joseph E. Stiglitz
- The Ascent of Money, Niall Ferguson
- The Cheating Culture, David Callahan
- The Skeptical Economist, Jonathan Aldred
- Predictably Irrational, Dan Ariely
- The Upside of Irrationality, Dan Ariely
- The (Honest) Truth About Dishonesty, Dan Ariely
- Freakonomics, Steven D. Levitt and Stephen Dubner
- The World Is Flat 3.0, Thomas Friedman
- Hot, Flat and Crowded, Thomas Friedman
- Something New Under the Sun, J.R. McNeil
- The Tipping Point, Malcolm Gladwell
- Blink, Malcolm Gladwell
- A Failure of Capitalism, Richard A. Posner
- The Return of Depression Economics, Paul Krugman
- Moonwalking With Einstein, Joshua Foer
- The Big Short, Michael Lewis
- Boomerang: Travels in the New Third World, Michael Lewis
- 13 Bankers, Simon Johnson and James Kwak
- The Naked Economist: Undressing the Dismal Science, Charles Wheelan
- After the Music Stopped, Alan S. Blinder
- What Money Can’t Buy: The Moral Limits of Markets, Michael J. Sandel
- Genghis Khan and the Making of the Modern World, Jack Weatherford
Please sign and date the following agreement. If I do not receive this signed form by Friday, January 20th, you will be dropped from the class.

I have read, understand, and agree to the terms outlined in the syllabus for ECON 201-002 CRN 20325 (SPRING 2017). I accept all terms as written and understand that e-mail communication will be conducted via the College of Charleston accounts or through the Sapling website. I have also read and agree to abide by the College of Charleston Classroom Code of Conduct and College of Charleston Honor Code and understand there will be severe consequences for any violation of the Honor Code.

Name (please print) _____________________________________________

Preferred________________________

Signature ______________________________________________

Date_____________________________

Contact Phone number:________________________________________

Circle one: Freshman Sophomore Junior Senior

Major__________________________ Minor_________________________

Where are you from?____________________________________________

Do you work? ___________
If so, approximately how many hours per week?____________________

What are your career aspirations?

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________