

# ECON 201 - Summer 2015

## Principles of Macroeconomics

Instructor: Dr. James Saunoris  
Office: 703A Pray-Harrold  
E-mail: [jsaunori@emich.edu](mailto:jsaunori@emich.edu)  
Office Phone: (734) 487-3068

Class Website: <https://canvas.emich.edu/>  
Office Hours: MW 8:00-10:00 a.m.  
and by appointment

*“There is only one difference between a bad economist and a good one: the bad economist confines himself to the visible effect; the good economist takes into account both the effect that can be seen and those effects that must be foreseen.”*

*-Frédéric Bastiat (1801-1850)*

*“There is no such thing as a free lunch.”*

*-Milton Friedman (1912-2006)*

### Description

A critical understanding of the U.S. and global economies will enhance your value as a manager or executive of a business (whether for-profit or non-profit), as a family member dealing with jobs and financial decisions, and as a voter in a democracy. The course will allow you to become knowledgeable of, and able to critically think about, the major macroeconomic issues of unemployment, recessions, economic growth, inflation, deflation, oil prices, monetary policy, fiscal policy, budget deficits, the national debt, international trade, international finance, and the financial system.

Prerequisites: Level 3 Math Placement or (at least a C in MATH 098 or above)

### Required Textbook

Hubbard, R. Glenn and Anthony O'Brien. *Macroeconomics*, 4th edition. Upper Saddle River, New Jersey: Pearson Prentice Hall, 2010.

### Supplemental Materials

A good supplemental textbook is *Principles of Macroeconomics* available for free at

<https://openstaxcollege.org/textbooks/principles-of-macroeconomics>.

I will post optional readings on the web related to topics discussed in class for those interested. Also, students are encouraged to keep up-to date on current event issues as they will be discussed in class. Good sources for current event topics include *The Economist* and *The Wall Street Journal*. I also enjoy viewing Professor Greg Mankiw's blog located at <http://gregmankiw.blogspot.com>.

## Grading

Your grade will be determined by the total number of points you earn on the three **Exams (100 points each)** and **Quizzes (100 points total)** (400 points total). The grading scale is as follows:

A.....93-100%	C+.....76-79%
A-.....90-92%	C.....73-75%
B+.....86-89%	C-.....70-72%
B.....83-85%	D+.....66-69%
B-.....80-82%	D.....63-65%
	D-.....60-62%
	F.....0-59%

## Quizzes

I aim to offer an in-class quiz approximately every week. The questions on the quiz will cover the material discussed during lecture and are meant to help you prepare for the exam. Furthermore, the purpose of these quizzes is to emphasize the importance of class attendance. If you miss a quiz you will NOT be able to make it up. I will, however, allow you to drop your lowest two quizzes.

## Worksheets

I will provide in-class worksheets (available at <https://canvas.emich.edu/>) that should be used to follow along in lecture. Most of the answers to the questions on the worksheet will be given in class. The purpose of the worksheets is to provide extra practice of some important topics and to highlight main points discussed in lecture. These worksheets (along with the quizzes) are to be used as study guides for the exam.

## Exams

There are three exams each worth 100 points. The final exam is not comprehensive and will cover the material succeeding the second exam. The exams cover material from class, the text, and any additional assigned readings. If I feel that a curve is necessary, it will be determined separately for each exam.

You must have a VERY good excuse to make-up an exam. Your professor reserves the right to judge what types of excuses are legitimate. Permission to miss an exam must be secured before the scheduled exam time unless the cause of the absence is unanticipated. If you miss an exam for an unforeseen reason you should contact me as soon as you are physically able to pick up the phone and call me. If you miss an exam and do not receive an excused absence, you receive a zero for that exam.

## Attendance

You are expected to attend EVERY class. A thorough understanding of the lecture material is essential for performing well on the exams. If you are required to miss class, then I would strongly recommend that you attempt to get class notes from a fellow student. Also, consult the class website for updated class materials.

## **Grievance Procedure**

Anyone feeling that a dispute exists after the grading of an exam or quiz may submit a written grievance. The grievance should identify the item in dispute and provide arguments supporting the student's position. Grievances must be submitted within two class periods following the return of the exam or quiz. Attach your entire exam or quiz to the grievance. As for the final exam, the grievance should be emailed to me as an attachment no later than the last day of finals.

## **Classroom Conduct**

Any successful learning experience requires mutual respect. Neither instructor nor student should be subject to behavior that is rude, disruptive, intimidating, or demeaning. Views may differ on what counts as rudeness or courtesy. If you are not sure what constitutes good conduct in this classroom, ask the instructor. The instructor has primary responsibility for and control over classroom behavior and maintenance of academic integrity.

Students are expected to adhere to the standards and expectations detailed in the **Student Code of Conduct**. In addition, cell phones, side conversations, tardiness, foul language, and the use of open laptops and ipads/tablets for purposes other than for class will not be tolerated. These are very disruptive to students and if the problem persists I will ask you to leave. If you are caught cheating I will give you a zero for that assignment/exam and if the problem persists I will take further action.

## **Disability Concerns**

It is my goal that this class be an accessible and welcoming experience for all students, including those with disabilities that may affect their learning in this class. If you believe you may have trouble participating or effectively demonstrating learning in this course, please meet with me (with or without an accommodation letter from the Disability Resource Center) to discuss reasonable options or adjustments. During our discussion, I may suggest the possibility/necessity of your contacting the DRC (240 Student Center; (734) 487-2470; [swd\\_office@emich.edu](mailto:swd_office@emich.edu)) to talk about academic accommodations. You are welcome to talk to me at any point in the semester about such issues, but it is best if we can talk at least one week prior to the need for any modifications.

## **Enhancing Student Skills**

The University Writing Center (115 Halle Library; 487-0694) offers one-to-one writing consulting for students. The UWC also has several satellite locations across campus (in Owen, Marshall, Pray-Harrold, and Mark Jefferson). For more information see the UWC web site: <https://www.emich.edu/uwc/>

International Student Resource Center (200 Alexander Building) <http://www.emich.edu/esl/isrc/> is a service of the World Languages Department for EMU students who need help with their non-native English language for academic assignments. Help is provided for reading and comprehension, listening and note-taking, improvement of grammatical accuracy, compositions, study skills, and conversation. Note, this is not the Office of International Students.

Students seeking writing support at any location of the University Writing Center should bring with them a draft of what they are working on and their assignment sheet.

## **Tentative Course Outline**

### **I: Introduction to Economics**

1. Ch. 1-2: “Economic Foundations & Models”
2. Ch. 3: “Where Prices Come From: The Interaction of Demand and Supply”
3. Ch. 7: “Comparative Advantage & the Gains from International Trade”

### **II. Macroeconomic Foundations**

1. Ch. 8: “Gross Domestic Product”
2. Ch. 9: “Unemployment and Inflation ”
3. Ch. 10: “Economic Growth” (Section 10.1)

Midterm I

### **III. Long-run Economic Growth**

1. Ch. 10: “ Savings, Investment & The Financial System” (Section 10.2)
2. Ch. 11: “Long-run Economic Growth: Sources & Policies”

### **IV. Short-Run Fluctuations**

3. Ch. 10: ”Business Cycles” (Sections 10.3) & Hayek-Keynes Debate
4. Ch. 12: “Aggregate Expenditure and Output in the Short Run” (except Section 12.3)
5. Ch. 13: “Aggregate Demand & Aggregate Supply Analysis”

Midterm II

### **V. Monetary & Fiscal Policy**

1. Ch. 14: “Money, Banks, & the Federal Reserve System”
2. Ch. 15: “Monetary Policy”
3. Ch. 16: “Fiscal Policy”
4. Ch. xx: “The Great Recession”

### **VI. The International Economy**

1. Ch. 18: “Macroeconomics in an Open Economy” (tentative)
2. Ch. 19: “The International Financial System” (tentative)

Final Exam

\*This syllabus is subject to change. If I do make changes, I will announce them in class and email them.