MACROECONOMICS COURSE SYLLABUS
ECON 260.01 PRINCIPLES OF MACROECONOMICS
FALL 2010 9:00 A.M. ROOM 201

Competence
Character
Community

Instructor:	**Jozell Brister, Associate Professor**	**Office: BA 275**
Phone (Work):	**674-2596**	**Office Hours: MWF 3:00-3:30 pm**
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The mission of the College of Business Administration
is to create a distinctively Christian environment in which
excellent teaching, combined with scholarship,
promotes the intellectual, personal, and spiritual growth of business students,
and educates them for Christian service and leadership
throughout the world.

From the COBA Mission Statement

Course Description: ECON 260 Principles of Macroeconomics (3-0-3), fall, spring. Supply and demand, the framework of the free enterprise system, national income accounting, unemployment and inflation, fiscal policy and public debt, monetary system and monetary policy, international trade, economic growth, and selected concepts of business ethics. Prerequisite: Sophomore standing.

Contribution of Course to Overall Business Perspective: Economics is a broad-ranging discipline. It encompasses major business principles and government policies. Indeed, many of the world's most serious problems are economic in nature, and macroeconomic issues often dominate the evening news broadcasts. Understanding the principles of macroeconomics makes one a better businessman or woman and a more enlightened citizen.

Contribution of Course to the Development of Communication Skills:

"Principles of Macroeconomics" includes many issues that lend themselves to class discussion. Essay questions are a part of every test except the final exam. Students learn to communicate through class discussion and through essay questions on exams.

Contribution of Course to Christian service and leadership: Economics involves choices and choices lead to tradeoffs—costs versus benefits. Choices and decisions in business and in economics, as well as in life, are not made in an ethical vacuum. The infusion of an ethical/philosophical system based on biblical principles enables the student to analyze different economic situations with a view toward serving God and his/her fellowman.

Philippians 4:11-13, Matthew 16:24, Ecclesiastes 2:24-25, and Luke 16:11

Goals for student competency:

1. Construct a theory of prices for a market economy.
2. Define and measure alternative approaches to GDP.
3. Determine equilibrium GDP from the expenditures approach.
4. Describe appropriate fiscal and monetary policy to combat a recession or to fight inflation.
5. List and describe the five parts of the structure of the Federal Reserve System.
6. Illustrate the Law of Comparative Advantage in International Trade.
7. Predict effects on exchange rates of the dollar from shifting economic forces.

Format: **Lecture with class discussion.**

Prerequisites: **Sophomore standing**

Grading System:

The final course grade will be based on scores from the four major exams plus a comprehensive final exam. Please note: No make-up exam will be given after the exam has been administered to the entire class. For students who miss an exam, the final exam grade will count for that test grade. Students who are excused from class on a test day may take the exam early.

Course Policies:

No cell phones and no laptop computers in class, please.

Unannounced Quizzes: Quizzes may add extra credit points to test grades as follows:
Two points will be added to the pertinent test grade for a score of 70 percent or higher on unannounced quizzes.

Homework:

Homework is graded for extra credit on the pertinent exam as follows:

Homework Grade:

A	**=**	**3 extra points on exam grade**
B	**=**	**2 extra points on exam grade**
C	**=**	**1 extra point on exam grade**
D	**=**	**0 points**
F	**=**	**0 points**

Attendance and Tardiness:

0-3 Absences—No penalty
4-5 Absences—3 points from final average
6-7 Absences—6 points from final average
8-9 Absences—8 points from final average
10+ Absences—10 points from final average

3 Times Tardy = 1 Absence

Grading Scale:

A	**=**	**90-100**
B	**=**	**80-89**
C	**=**	**70-79**
D	**=**	**60-69**
F	**=**	**0-59**

Textbook:
Baumol, William J. and Alan S. Blinder, Economics. 11th Edition. Mason, Ohio: South-Western Publishing Company, 2009. (Please note: This textbook also is used in the Microeconomics course.)

Academic Dishonesty:

COBA Honor Code

Objective

COBA faculty, staff and students will strive to proclaim in their lives competence, character and community.

In joining COBA, students, faculty, and staff covenant to abide by the following ethical principles.

Competence

To lead and serve well requires competence. And to become competent requires diligence and hard work. We owe it to all who have prepared the way and who will follow in our footsteps, to be good stewards of opportunities and resources. Thus, in all you do: set priorities, seek excellence and professionalism in your work, satisfy requirements, and take responsibility for your learning and performance. You cannot build competence if you lie, cheat, steal, or tolerate those who do.

Character

A reputation of good character is built slowly through testing, yet can be destroyed in an instant by compromise or careless work, just as it can through injustice. Guard your character; it is worth more than a grade or promotion. “A good name is more desirable than great riches; to be esteemed is better than silver or gold” (Proverbs 22:1). You cannot build character if you lie, cheat, steal, or tolerate those who do.

Community

A spirit of fellowship and mutual encouragement holds each community member accountable. Accountability leads to a healthy community through adequate preparations for the tasks at hand, respectful truthfulness in all situations, and adding value to the tasks at hand. As a community, we must hold each other accountable to the principles of competence, character, and community. You cannot build community if you lie, cheat, steal, or tolerate those who do.

COBA supports ACU’s Academic Integrity Policy (www.acu.edu/campusoffices/campuslife/acad_integrity.html). This important policy offers examples of academic infractions and a process for assigning consequences and voicing appeals. Ignorance of this policy is never an excuse. Individual instructors will define course specific definitions, however, in general you should avoid:

1) **Plagiarism** - Copying or even paraphrasing words or ideas from another source (including current or past students) without giving adequate credit.
2) **Lying** - Inventing data or sources or making false attributions about the origin of material or offering a deceptive reason for an absence or delay in the completion of academic work.
3) **Cheating** - Facilitating or participating in any process that circumvents the intent of any exam, test, quiz, paper, or assignment.

Any dishonest act observed or reported will be investigated and if proven, be reported in administrative offices and records, and may be subject to any or all of the following outcomes based on severity:

1) A zero for the assigned work
2) A failing grade for the course
3) Dismissal from the university

Ratified by Faculty: 11/18/2004

Summary of Daily Assignments

Class Meeting	Assignment
Monday, August 23	What is Economics? Read Chapter 1, pp. 3-13 in textbook. Appendix: *Using Graphs: A Review* Read pp. 14-19 in textbook.
Wednesday, August 25	The Economy: Myth and Reality Read Chapter 2, pp. 21-36
Friday, August 27	The Fundamental Economic Problem: Scarcity and Choice Read Chapter 3, pp. 39-52 in textbook.
Monday, August 30	Supply and Demand: An Initial Look Read Chapter 4, pp. 55-61
Wednesday, September 1	Supply and Demand: Read Chapter 4, pp. 61-66
Friday, September 3	Supply and Demand Read Chapter 4 pp. 66-76
Monday, September 6	Demand and Elasticity Read Chapter 6, pp. 107-113
Wednesday, September 8	Demand and Elasticity Read Chapter 6, pp. 113-121
Friday, September 10	Ethics in Economics (Class Discussion)
Monday, September 13	Review and Conclusions
Wednesday, September 15	First Test—Chapters 1-4 and Chapter 6 (First Homework Assignment Due)
Friday, September 17	An Introduction to Macroeconomics Read Chapter 22, pp. 467-475
Monday, September 20	An Introduction to Macroeconomics Read Chapter 22, pp. 475-485

Summary of Daily Assignments

Class Meeting	Assignment
Wednesday, September 22	National Income Accounting Read Appendix to Chapter 25, pp. 552-556
Friday, September 24	Appendix: *How Statisticians Measure Inflation* Read Appendix to Chapter 23, pp. 511-513
Monday, September 27	Second Test: Chapter 22 plus Appendix to Chapter 23 and Appendix to Chapter 25 (Second Homework Assignment Due)
Wednesday, September 29	Aggregate Demand and the Powerful Consumer—Read Chapter 25, pp. 537-545
Friday, October 1	Aggregate Demand Read Chapter 25, pp. 545-550
Monday, October 4	Demand-Side Equilibrium: Unemployment or Inflation?—Read Chapter 26, pp. 559-564
Wednesday, October 6	Demand-Side Equilibrium Read Chapter 26, pp. 564-569
Friday, October 8	Changes on the Demand Side: Multiplier Analysis—Read Chapter 26, pp. 569-575
Monday, October 11	Fiscal Policy for Recession or Inflation (Class Notes)
Wednesday, October 13	Bringing in the Supply-Side: Unemployment and Inflation--Read Chapter 27, pp. 583-589
Friday, October 15	Fall Break
Monday, October 18	Supply-Side Equilibrium Read Chapter 27, pp. 589-600
Wednesday, October 20	Managing Aggregate Demand: Fiscal Policy Read Chapter 28, pp. 605-617

Summary of Daily Assignments

Class Meeting	Assignment
Friday October 22	*Graphical Treatment of Taxes and Fiscal Policy* Read Appendix A to Chapter 28, pp. 619-621
Monday, October 25	*Algebraic Treatment of Fiscal Policy* Read Appendix B to Chapter 28, pp. 622-623
Wednesday, October 27	Review and Conclusions
Friday, October 29	Third Test—Chapters 25-28 (Third Homework Assignment Due)
Monday, November 1	Money and the Banking System Read Chapter 29, pp. 625-632
Wednesday, November 3	Money and the Banking System Read Chapter 29, pp. 632-643
Friday, November 5	Managing Aggregate Demand: Monetary Policy Read Chapter 30, pp. 645-652
Monday, November 8	Monetary Policy Read Chapter 30, pp. 652-658
Wednesday November 10	The Debate Over Monetary and Fiscal Policy Read Chapter 31, pp. 661-667
Friday, November 12	The Debate Over Monetary and Fiscal Policy Read Chapter 31, pp. 667-671
Monday, November 15	The Debate Over Monetary and Fiscal Policy Read Chapter 31, pp. 671-680
Wednesday, November 17	Review and Conclusions
Friday, November 19	Fourth Test: Chapters 29-31 (Fourth Homework Assignment Due)

Summary of Daily Assignments

Class Meeting	Assignment
Monday, November 22	Budget Deficits in the Short and Long Run Read Chapter 32, pp. 683-699
Wednesday, November 24	Thanksgiving Holiday
Friday, November 26	Thanksgiving Holiday
Monday, November 29	International Trade and Comparative Advantage—Read Ch. 34, pp. 723-740
Wednesday, December 1	The International Monetary System Read Chapter 35, pp. 745-752
Friday, December 3	The International Monetary System Read Chapter 35, pp. 753-761 (Fifth Homework Due)
Monday, December 6	Dead Day—Class will not meet.
Wednesday, December 8	Final Exam Noon—1:45 p.m.

PRINCIPLES OF ECONOMICS—MACRO
ECON 260.01
August 23, 2010—December 8, 2010

HOMEWORK ASSIGNMENTS

Homework Assignment #1 (Due Wednesday, September 15, 2010)

Chapter 1, p. 14	Discussion Questions: #3
Chapter 1, Appendix, p. 20	Test Yourself: #'s 1 and 5
Chapter 2, p. 37	Discussion Questions: #'s 1, 4, and 5
Chapter 4, pp. 77-78	Test Yourself: #'s 3(a,b,c,d), 4(a,b,c), 5(a,b,c) and 8(a,b,c)
Chapter 6, p. 122	Test Yourself: #'s 4, 5, and 7

Homework Assignment #2 (Due Monday, September 27, 2010)

Chapter 22, p. 486	Test Yourself: #'s 1, 3(a,b,c,d,e,f,g,h,i,j)
Appendix to Chapter 23, p. 514	Test Yourself: #'s 2(a,b,c), 3, and 4
Appendix to Chapter 25, p. 557	Test Yourself: #'s 1(a,b,c,d,e,f,g,h)

Homework Assignment #3 (Due Friday, October 29, 2010)

Chapter 25, p. 551	Test Yourself: #'s 1, 2(a,b,c,d,e), 3, and 4
Chapter 26, p. 576-577	Test Yourself: #'s 1, 3, 4, and 7
Appendix A to Chapter 26, p. 578	Test Yourself: # 4(a,b,c,d)
Chapter 27, p. 601	Test Yourself: #'s 1 and 2
Chapter 28, p. 618	Test Yourself # 1
	Discussion Questions: #'s 2 and 3

Homework Assignment #4 (Due Friday, November 19, 2010)

Chapter 29, p. 644	Test Yourself: #'s 1, 2, and 3
Chapter 30, p. 659	Test Yourself: #'s 1, 2, 5, and 7
Chapter 31, p. 680-681	Test Yourself: # 2
	Discussion Questions: #'s 4 and 6

Homework Assignment #5 (Due Friday, December 3, 2010)

Chapter 34, p. 741	Test Yourself: # 1
	Discussion Questions: #'s 2 and 3
Chapter 35, pp. 762	Test Yourself: # 2
	Discussion Questions: #'s 2, 6, and 7

Homework is graded for extra credit on the pertinent exam as follows:

A	=	3 extra points on exam grade
B	=	2 extra points on exam grade
C	=	1 extra point on exam grade
D	=	0 points
F	=	0 points