

GOVERNORS STATE UNIVERSITY
College of Business and Public Administration

Division of Accounting, Finance and M.I.S.

Governors State University Mission Statement:

“Governors State University is committed to offering an exceptional and accessible education that imbues students with the knowledge, skills, and confidence to succeed in a global society. GSU is dedicated to creating an intellectually stimulating public square, serving as an economic catalyst for the region, and being a model of diversity and responsible citizenship.”

Course title	Principles of Macroeconomics
Course Number	Econ 302
Credit hours	3 (Undergraduate)
Instructor	Sheryl Szot Gallaher
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Prerequisites	Successful completion of intermediate algebra or permission of instructor
Restrictions	None
Office hours	M, Tues, Thur. (10 a.m. - 5 p.m.) or by appointment
Course web page	http://webct.govst.edu

CATALOG/COURSE DESCRIPTION: Studies the economy as a whole, dealing with economic data, behavior, and theory at the aggregate level of the economy. Examines income, output, employment, prices and other variables in terms of their measurement, determination, and policy implication.

INTENDED AUDIENCE: Undergraduates; all CBPA undergraduate majors and minors; students seeking fulfillment of general education requirements

RATIONALE: Principles of Macroeconomics is one of the foundation courses for the study of economics. The course should promote intelligent and sophisticated analysis of economic issues and problems.

EXPECTED OUTCOMES: Successful work in this course will enable students to:

1. Understand the concept of opportunity cost and how to apply the concept to economic decision-making.
2. Use supply-demand analysis in explaining how markets function.
3. Explain macroeconomic performance indicators, such as: Gross Domestic Product, the Consumer Price Index, and the unemployment rate.
4. Explain the objectives and methods of fiscal and monetary policy.

5. Describe the principal macroeconomic policymakers in the United States and the components of macroeconomic policy for which they are responsible.

6. Describe the international economic effects of U.S. macroeconomic activity and macroeconomic policies.

REQUIRED TEXT. There is one required item to purchase:

Principles of Macroeconomics, 9th edition, Case, Karl E., Ray C. Fair, and Sharon M. Oster, Prentice Hall, 2009.

INSTRUCTIONAL MODALITY:

This course will be offered through WebCT. On the WebCT home page, the course calendar indicates assignment due dates. The WebCT home page also features links for assignments, assessments, and discussions.

During the course of the semester, a number of macroeconomic discussions will be initiated through the bulletin board. Students are required to access WebCT at least once a week to participate. Discussions will be graded as class participation.

ASSIGNMENTS:

Assignments will be in the form of four on-line case studies. Responses should be 2-3 typewritten pages long. The case studies are available on-line (see below for web address and instructions).

To access a case study, click on this link:

http://www.chicagofed.org/economic_research_and_data/publication_display.cfm?Publication=2&year=2006%20AND%202007 You will see dozens of "Chicago *Fed Letters*." These articles were written by economists at the Federal Reserve Bank of Chicago and cover a number of topics, both macro and micro in nature. Here's what you'll need to do to complete each assignment:

1. Choose any **one** article written since the year 2006, and read it thoroughly. (Try to choose one that relates to the chapters you've read.)
2. Using Microsoft Word, write your assignment, indicating the **title, author and date of the *Fed Letter***. Then **summarize** the *Fed Letter* content in 3 - 4 paragraphs.
3. Finally, develop **4 economic questions** about the article, and answer each one thoroughly and clearly, using good economic reasoning.
4. Submit your assignment by clicking on the "assignments" link under "course tools" on the left side of your screen. Click the correct case study (either 1, 2, 3 or 4). Click "add attachments" and attach your Microsoft Word document. Then click "submit."

IMPORTANT: Assignments must identify the source of the article of which you are writing a summary (include title, author, date). Papers must be typed, double-spaced, and each one should

be no more than two - three pages long. Each assignment is due according to the schedule on the WebCT calendar. You can e-mail them as a Microsoft Word attachment before the due dates. Submit them via the "mail" icon on the WebCT home page.

QUIZZES

- There will be a quiz at the end of each chapter. Quizzes may be taken on-line through WebCT.
- See the WebCT home page; click on "assessments" for details.
- Quizzes can be taken two times; the higher grade counts.

EXAMINATIONS

There will be two exams. Both are proctored either on campus or at an authorized off-campus location.

- The first exam covers only Chapters 1- 11 (multiple choice and essay questions)
- The second exam covers only Chapters 12 – 21 (multiple choice and essay questions)

There are study guides and PowerPoint guides for both the mid tem exam and the final exam.

CLASS OUTLINE

- Week 1 Chapter 1: The Scope and Method of Economics
Chapter 2: The Economics Problem: Scarcity and Choice
- Week 2 Chapter 3: Demand, Supply, and Market Equilibrium
Chapter 4: Demand and Supply Applications
- Week 3 Chapter 5: Introduction to Macroeconomics
Chapter 6: Measuring National Output and National Income
- Week 4 Chapter 7: Unemployment, Inflation and Long Run Growth
Chapter 8: Aggregate Expenditure and Equilibrium Output
- Week 5 Chapter 9: The Government and Fiscal Policy
- Week 6 Chapter 10: The Money Supply and the Federal Reserve System
- Week 7 Chapter 11: Money Demand and the Equilibrium Interest Rate
- Exam #1 (covers Chapters 1 - 11)

Week 8	Chapter 12: Aggregate Demand in the Goods and Money Markets Chapter 13: Aggregate Supply and the Equilibrium Price Level
Week 9	Chapter 14: The Labor Market in the Macroeconomy Chapter 15: Policy Timing, Deficit Targeting and Stock Market Effects
Week 10	Chapter 16: Household and Firm Behavior in the Macroeconomy Chapter 17: Long-Run Growth
Week 11	Chapter 18: Debates in Macroeconomics: Chapter 19: International Trade, Comparative Advantage, and Protectionism
Week 12	Chapter 20: Open-Economy Macroeconomics
Week 13	Chapter 21: Economic Growth in Developing and Transitional Economic Systems
Week 14:	Final exam (covers Chapters 12 - 21)

Evaluation Criteria

- Discussion Board participation is worth 28 points per topic; 12 discussions count, for a total of 336 points
- Quizzes are worth a total of 170 points.
- Each case study assignment is worth 84 points (84 points x 4 assignments = 336 points)
- Each exam is worth 415 points.
- TOTAL points = 1672

EVALUATION:

- 25% Examination #1
- 25% Examination #2
- 10% Quizzes
- 20% Participation in on-line discussions
- 20% "In The News" assignments

A = 1500 or more points

B = 1332 – 1499 points

C = 1164 – 1331 points

D = 998 – 1163 points

F = 997 or fewer points

Case study assignment rubric:

	30	24	18	12	6	0
Summary	Focuses on main idea with supporting data.	Focuses on main idea, with little supporting data.	Contains data, but misses the main idea.	Contains little data, and misses the main idea.	Summary is composed largely of generalizations.	Assignment is plagiarized, using mostly passages from the article.
Questions	Economic analysis is evident in every question.	Economic analysis is evident in most of the questions	Economic analysis is evident in some of the questions.	Economic analysis is evident in few of the questions.	Economic analysis is evident in none of the questions.	Assignment has no questions.
Mechanics		Assignment contains fewer than 3 errors	Assignment contains 3 – 5 errors	Assignment contains 6 - 7 errors	Assignment contains 8 - 10 errors	Assignment contains more than 10 errors

SYLLABUS STATEMENT FOR PERSONS WITH DISABILITIES

GSU is committed to providing all students equal access to all university programs and facilities. Students who have a documented physical, psychological, or learning disability and need academic accommodations, must register with Access Services for Students with Disabilities (ASSD). Please contact the Coordinator of ASSD in Room B1201 in person; by e-mail, assd@govst.edu; or by calling 708-235-3968. If you are already registered, please contact your instructor privately regarding your academic accommodations.