

Syllabus
ECON 2313-001
Spring Semester, 2009

Course: Principles of Macroeconomics

Learning Objectives: (1) To achieve an understanding of fundamental principles of economics such as opportunity cost, the law of demand, and comparative advantage; (2) to obtain familiarity with basic measures of aggregate economic activity such as gross domestic product, the unemployment rate, and the money supply; (3) to comprehend the essential features of the principal (competing) theories of aggregate output (or income) and employment, inflation, exchange rates and the balance of trade; and (4) to appreciate the link between macroeconomic theory and policy.

Professor:

Christopher Brown
Business 412
870-972-3737 (tel.)
870-972-3417 (fax)
crbrown@astate.edu

Office Hours: 1:30 to 3:30 p.m. MTWR

Text:

William A. McEachern. *Macroeconomics: A Contemporary Introduction*, 8th edition. South-Western/Cengage Publishing, 2009. ISBN: 0-324-61306-6.

Note that this edition includes *Aplia* (see description below) an online resource that *you must have access to* for this course. *Do not purchase a text without Aplia access.*

Students may purchase a digital text with *Aplia* for \$70.00 at www.aplia.com. Or, students may purchase a print text with *Aplia* for \$120.00 (\$144.00 at the ASU Bookstore).

Aplia: This is an (online) interactive tool with question-specific feedback designed to increase student engagement and understanding. *Aplia* offers students a way to stay on top of course work with regularly scheduled homework assignments. There will be seventeen (17) *Aplia* homework assignments over the course of the semester. You will have a limited window to complete each assignment—meaning, you cannot complete the homework assignment once the deadline is passed. Students are admonished to *check their email regularly for information about assignments and deadlines*. The ten best (10) homework scores will be counted toward the student's final grade (see details below).

To register, browse to www.aplia.com. The Course Key: **Z76G-XYVD-2M5A**.

Examinations and Grades: The final grade is determined on the basis of the student's performance on four (4) examinations and homework assignments completed using *Aplia*. Exams will consist of multiple choice questions. The various components have the following weights in the determination of the student's final average:

Item	Weight (Percent)
Homework	25
Exam 1	15
Exam 2	15
Exam 3	15
Final Exam	30
<i>Total</i>	100%

The following scale will be applied to determine the student's final grade:

Range (Percent)	Grade
88-100	A
77-87	B
65-76	C
50-64	D
Below 50	F

Web Site: Browse to www.clt.astate.edu/crbrown/2313.htm to visit the ECON 2313 Home Page. The web site is best viewed by Internet Explorer 6.0 or higher. The course home page contains class announcements, links to course materials (such as PowerPoint slides used during lectures), and links to articles or other materials relevant to the course.

Make-up Policy: Should a student be forced to miss an examination, the student should make every effort to notify the professor **in advance** of the exam to be missed. If unable to contact the professor (by phone or e-mail) prior to the exam, the student should contact the professor as soon as possible. Presuming the student has made a *good faith effort* to notify the instructor, and if the student can present a credible excuse for his or her absence, then a make-up exam will be arranged.

Schedule of Topics, Reading Assignments, and Examinations

Date	Topic	Reading Assignment
Jan 12	Introduction	
Jan 14	The Art and Science of Economics	Ch. 1, pp. 1-18
Jan 16	Understanding Graphs	Appendix to Ch. 1
Jan 19	<i>MLK</i> Day Observed	
Jan 21	Economic Tools	Ch. 2, pp. 27-41
Jan 23	Economic Systems	Ch. 2, pp. 41-47
Jan 26	Economic Decision Makers	Ch. 3, pp. 49-59
Jan 28	Economic Functions of Government	Ch. 3, pp. 59-69
Jan 30	Demand and Supply	Ch. 4, pp. 71-81
Feb 2	Market Equilibrium; Effects of Price Ceilings and Floors	Ch. 4, pp. 81-95
Feb 4	Exam 1	
Feb 6	Intro to Macroeconomics	Ch. 5
Feb 9	Theory of Productivity and Growth	Ch. 6, pp. 117-124
Feb 11	Productivity and Growth in Practice	Ch. 6, pp. 124-139
Feb 13	National Income Accounts	Ch. 7, pp. 141-150
Feb 16	Accounting for Price Changes	Ch. 7, pp. 150-163
Feb 18	Unemployment	Ch. 8, pp. 165-177
Feb 20	Inflation	Ch. 8, pp. 177-188
Feb 23	The Consumption Function	Ch. 9, pp. 189-198
Feb 25	Theory of Investment; Government Expenditures; Net Exports	Ch. 9, pp. 198-210
Feb 27	Exam 2	
Mar 2	Aggregate Expenditure; The Multiplier Effect	Ch. 10, pp. 211-219
Mar 4	The Aggregate Demand Curve	Ch. 10, pp. 219-225
Mar 6	Variable Net Exports and the Spending Multiplier	Ch. 10, Appendix A
Mar 9	The Algebra of Income and Expenditure	Ch. 10, Appendix B
Mar 11	The Aggregate Supply Curve	Ch. 11, pp. 231-243
Mar 13	Shifts of the Aggregate Supply Curve	Ch. 11, pp. 244-250
Mar 16	Theory Fiscal Policy	Ch. 12, pp. 251-258
Mar 18	Evolution of Fiscal Policy	Ch. 12, pp. 258-268
Mar 20	Federal Budgets and Public Policy	Ch. 13
Mar 23-27	<i>Spring Break</i>	
Mar 30	Money and the Financial System	Ch. 14
Apr 1	Exam 3	
Apr 3	Monetary Aggregates; How Banks Work	Ch. 15, pp. 317-331
Apr 6	The FED's Tools of Monetary Control	Ch. 15, pp. 331-337
Apr 8	The Demand and Supply of Money	Ch. 16, pp. 339-348
Apr 10	Money and Aggregate Demand in the Long Run	Ch. 16, pp. 348-359
Apr 13	International Trade and Comparative Advantage	Ch. 18, pp. 385-392
Apr 15	Trade Restrictions and Welfare	Ch. 18, pp. 392-401
Apr 17	<i>WSSA</i> : No Class	

Date	Topic	Reading Assignment
Apr 20	Arguments for Trade Restrictions	Ch. 18, pp. 401-407
Apr 22	The Balance of Payments	Ch. 19, pp. 409-415.
Apr 24	Exchange Rates	Ch. 19, pp. 415-427
Apr 27	Review Session	
May 1	Final Examination, Comprehensive ¹	

¹ 8:00-10:00 a.m.