

ECO 2301. Principles of Macroeconomics

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On-line (Teams) office hours:

Tuesday, and Thursday, from 9 to 1 pm

Friday from 10 am to 1 pm.

Other times, please, send me an email to make an appointment.

Credit Hours/Time Dedicated (per week): 3 credits/9 hours of time commitment (class time, reading, quizzes, studying)

Classroom/Time: Online anytime.

Prerequisites: None.

Required Class Materials

We are going to use a platform from Macmillan named **Achieve**. This platform is the companion site of the adopted textbook. In fact, **Achieve** provides access to the electronic version of the textbook, practice problems, videos and assignments for you to explore and increase the knowledge about the course. With **Achieve** you won't need to buy a physical copy of the textbook. Everything is in **Achieve**

Adopted textbook: **Tyler Cowen & Alex Tabarrok, *Modern Principles: Macroeconomics*, 5th edition. Macmillan.**

Students must buy Achieve access through the link in Blackboard (click on Achieve Registration) to have access to the eBook and resources available at Macmillan.

Course Description

Economics is about the way society allocates resources to produce goods and services, which satisfy our basic needs like food and shelter, as well as our wants like leisure, work or travel. This is known as the economic problem, which has been addressed by humans since we came into existence. Economists have studied how different societies throughout history have solved this problem, which has led to the formation of the field of Economics. Today, Economics can be

divided into two broad fields: Microeconomics and Macroeconomics. Microeconomics examines the behavior of individuals and firms in specific markets, while Macroeconomics studies the performance of entire economies, such as that of a country, and addresses problems at an aggregate level.

Our course, Principles of Macroeconomics, provides an introduction to the science of Economics. It focuses on the major macroeconomic problems in an open economy by examining 5 fundamental variables: Gross Domestic Product (GDP), unemployment, inflation, interest rate, and the exchange rate. In this course, we will discuss how to measure the production of goods and services of an economy and how the economy behaves in the short and long run. We will explore answers to questions such as why some nations are rich while others are very poor, what unemployment and inflation are and what their causes are, and how the Federal Reserve Bank and the government can use monetary and fiscal policies to change the interest rate. By doing so, they can keep the economy on the path of sustained and stable economic growth with low inflation.

Student Learning Outcomes

At the end of the course, the student will be able to

1. Describe the interactions among the basic subdivisions of the aggregate economy such as the government, business, households, and international sectors
2. Calculate the Real GDP and its growth rate, the inflation rate, and the unemployment rate.
3. Identify the determinants of economic growth in the U.S. and the world
4. Explain the differences between economic growth by capital accumulation and economic growth by capital accumulation.
5. Explain the relationships between financial intermediaries and economic growth
6. Describe the phenomenon of business cycles
7. Use the Long Run Aggregate Supply, Short Run Aggregate Supply, and Aggregate Demand (LRAS-SRAS-AD) model to explain how different shocks cause macroeconomic fluctuations.
8. Explain the controversies concerning stabilization policy.
9. Summarize the definitions and functions of money and explain the use of monetary policy to stabilize output and inflation.
10. Associate international transactions with the concepts of patterns of trade and gains from trade.
11. Identify and explain the differences between fixed and flexible exchange rate regimes.

Teaching Methods/Couse Format

This is an online course. With my guide, I hope you can work on the different activities, submit them before their deadlines, and reach the learning objectives of the course.

Assessment strategy

Exams 2 online exams (midterm and the final exam)	40% (20% each)
Pre-class activities Learning curve for each chapter (drop 2 lowest scores). Due each Sunday, the day before the start of the chapter.	20%
After-class activities Homework (drop 2 lowest scores). Due by midnight of the day before the start of the next chapter	20%
Discussion participation	10%
Self-reflection or self-reporting (Journal entry)	10%

Each on-line exam covers 7 chapters of the material. Each exam is composed of a mixture of definitions, multiple choice questions, short answer questions, quantitative problems, and graph analysis where you are expected to identify a problem within a given context by means of a graph, apply the concepts, and determine the outcome of such problem.

There is a Learning Curve (LCs) for each chapter that you need to answer before we discuss the chapter in class. These LCs are available through Achieve (the textbook companion site). Each evaluation is due Sunday before 11:59 pm Central Time during the semester, except during Spring Break week. LCs are pass/fail. If you get 100 points in the evaluation before the deadline, you pass and your grade is 100; otherwise, you fail (grade is zero). However, you can keep trying as much as needed until you pass. You should do this before the deadline. There are no late submissions. So, be wise.

Like the Learning Curves, Homework is due every Sunday before 11:59 pm Central Time. homework must be submitted before the deadline since there are not late submissions. Later, when exams are coming, you can use homework to study.

Finally, there are other activities such as discussions, self-reflection, and self-reporting. Whenever there is a discussion, you must submit at least one opinion and respond to another student's opinion. The purpose of this activity is that you can learn interacting with one another. You are expected to communicate with your classmates, read and reflect on their opinions, and

then, provide or make a comment that can positively contribute to the discussion. At all times, it is expected that you respect your classmates' opinions using an appropriate language. Your answer will be valued based on the content. So, be careful and do not say silly things. And, at last, after having worked on all the previous activities, you must reflect on the activities, tell the story of your own experience working on the assignments and reporting whether all activities were completed (and why not). Following the code of integrity, an honest answer will be given a positive contribution towards your final grade since this value is fundamental for your personal growth.

Course Schedule and Contents

Students should read through all material of the General Course Information module and complete all activities by the end of Week 1.

In addition to those items within the **General Course Information**, please read the Getting Stated with Blackboard guide so you learn how to navigate within the course.

Course Schedule and Contents

Students should read through all material of the General Course Information module and complete all activities prior to accessing Week 1.

In addition to those items within the **General Course Information**, please read the Getting Stated with Blackboard guide so you learn how to navigate within the course.

Week 1 (01/17 – 01/21). Ch. 1. The big ideas in Economics

Objectives

The expected student learning outcomes for this week are:

- Understand the importance of institutions and incentives in Economics.

Readings/Activities

- Read: *Chapter 1*.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 1. Due Sunday 01/21 before 11:59 pm.

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Week 2 (01/22 – 01/28). Ch. 3 & 4. Demand and supply and market equilibrium

Objectives

The expected student learning outcomes for this week are:

- Understand how a market economy works in a free market economy
- Compute the equilibrium price and quantity in a competitive market.

- Analyze what happens to market equilibrium when there are changes in demand and supply.

Pre-Class Readings/Activities. These activities are due Sunday 01/21 before 11:59 pm.

- Read: *Chapters 3 and 4*
- Learning curve for chapter 4.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 4. Due Sunday 01/28 before 11:59 pm.

Week 3 (01/29 – 02/04). Ch. 6. GDP and measurement of progress

Objectives

The expected student learning outcomes for this week are:

- Understand the meaning of real GDP
- Be able to calculate the GDP
- Compute growth rates.

Pre-Class Readings/Activities. These activities are due Sunday 01/28 before 11:59 pm.

- Read: *Chapters 6*
- Learning curve for chapter 6.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 6. Due Sunday 02/04 before 11:59 pm.

Week 4 (02/05 – 02/11). Ch. 7. The wealth of nations and economic growth

Objectives

The expected student learning outcomes for this week are:

- Understand what economic growth is about
- Identify the determinants of why some countries are rich while others are poor.
- Analyze the role of institutions in shaping economic growth

Pre-Class Readings/Activities. These activities are due Sunday 02/04 before 11:59 pm.

- Read: *Chapter 7*
- Learning curve for chapter 7.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 7. Due Sunday 02/11 before 11:59 pm.

Week 5 (02/12 – 02/18). Ch. 8. Capital accumulation and the economics of ideas

Objectives

The expected student learning outcomes for this week are:

- Distinguish between catching-up growth and cutting-edge growth
- Understand the convergence hypothesis

- Value the importance of human capital accumulation
- Understand the production of ideas as a source of growth in an advanced economy.

Pre-Class Readings/Activities. These activities are due Sunday 02/11 before 11:59 pm.

- Read: *Chapter 7*
- Learning curve for chapter 7.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 7. Due Sunday 02/18 before 11:59 pm.

Week 6 (02/19 – 02/25). Ch. 9. Saving, investment, and the financial system

Objectives

The expected student learning outcomes for this week are:

- Understand the financial system as the bridge between lenders and borrowers.
- Analyze the importance of savings for capital accumulation and economic growth.

Pre-Class Readings/Activities. These activities are due Sunday 02/18 before 11:59 pm.

- Read: *Chapter 9*
- Learning curve for chapter 9

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 9. Due Sunday 02/25 before 11:59 pm.

Week 7 (02/26 – 03/03). Ch. 11. Unemployment and labor force participation

Objectives

The expected student learning outcomes for this week are:

- Comprehend the structure of the population and the labor force
- Estimate the unemployment rate and the labor force participation rate
- Distinguish between frictional, structural, and cyclical unemployment.

Pre-Class Readings/Activities. These activities are due Sunday 02/25 before 11:59 pm.

- Read: *Chapter 11*
- Learning curve for chapter 11.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 11. Due Sunday 03/03 before 11:59 pm.

Week 8 (03/04 – 03/10). Review and midterm

Objectives

Prepare for the midterm by working on the practice quiz of each chapter.

Spring Break (03/11 – 03/17)

Week 9 (03/18 – 03/24). Ch. 12. Inflation and the quantity theory of money**Objectives**

The expected student learning outcomes for this week are:

- Identify the causes of inflation
- Distinguish between inflation, hyperinflation, deflation, and disinflation
- Understand long run inflation as the result of printing too much money.
- Analyze the effects of inflation in decision making and the misallocation of resources.

Pre-Class Readings/Activities. These activities are due Sunday 03/17 before 11:59 pm.

- Read: *Chapter 12*
- Learning curve for chapter 12.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 12. Due Sunday 03/24 before 11:59 pm.

Week 10 (03/25 – 03/31). Ch. 13. Business fluctuations: Aggregate demand and aggregate supply**Objectives**

The expected student learning outcomes for this week are:

- Understand booms and recessions around the trend of GDP.
- Use the AD-AS model to analyze how shocks spread out over the economy and their consequences
- Comprehend the adjustment mechanism of the economy.

Pre-Class Readings/Activities. These activities are due Sunday 03/24 before 11:59 pm.

- Read: *Chapter 13*
- Learning curve for chapter 13.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 13. Due Sunday 03/31 before 11:59 pm.

Week 11 (04/01 – 04/07). Ch 15. The Federal Reserve System and open market operations**Objectives**

The expected student learning outcomes for this week are:

- Understand the role of the FED as the monetary authority of the U.S.
- Estimate the required reserve ratio and the money multiplier.
- Compute the change in the money supply and the interest rate by means of the money multiplier.

- Analyze the impact that monetary policy has in reducing the effects of macroeconomic fluctuations.

Pre-Class Readings/Activities. These activities are due Sunday 03/31 before 11:59 pm.

- Read: *Chapter 15*
- Learning curve for chapter 15.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 15. Due Sunday 04/07 before 11:59 pm.

Week 12 (04/08 – 04/14). Ch. 16. Monetary policy

Objectives

The expected student learning outcomes for this week are:

- Identify the conditions under which the Fed would be able to influence AD
- Analyze when monetary policy could be used to change AD that would result in higher GDP growth rates.

Pre-Class Readings/Activities. These activities are due Sunday 04/07 before 11:59 pm.

- Read: *Chapter 16*
- Learning curve for chapter 16.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 16. Due Sunday 04/14 before 11:59 pm.

Week 13 (04/15 – 04/21). Ch. 17 & 18. The federal budget and fiscal policy.

Objectives

The expected student learning outcomes for this week are:

- Identify the sources of government revenue
- Recognize the different uses of government spending
- Analyze the conditions to use fiscal tools to influence AD
- Understand the implications of fiscal policy on the short run equilibrium of the economy.

Pre-Class Readings/Activities. These activities are due Sunday 04/14 before 11:59 pm.

- Read: *Chapters 17 & 18*
- Learning curve for chapter 18.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 18. Due Sunday 04/21 before 11:59 pm.

Week 14 (04/22 – 04/28). Ch. 19. International trade

Objectives

The expected student learning outcomes for this week are:

- Analyze international trade with supply and demand
- Recognized the costs of protectionism
- Understand the debate on international trade and jobs
- Analyze the impact of tariffs on trade

Pre-Class Readings/Activities. These activities are due Sunday 04/21 before 11:59 pm.

- Read: *Chapter 19*
- Learning curve for chapter 19.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 19. Due Sunday 04/28 before 11:59 pm.

Week 15 (04/29 – 05/05). Ch. 20. International Finance

Objectives

The expected student learning outcomes for this week are:

- Understand the short run and long run changes in the now open economy when monetary and fiscal policy are used.
- Discuss the U.S. trade deficit and its relationship with the balance of payments.
- Analyze the effects of fiscal and monetary policy by the different monetary regimes.

Pre-Class Readings/Activities. These activities are due Sunday 04/28 before 11:59 pm.

- Read: *Chapter 20*
- Learning curve for chapter 20.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 20. Due Sunday 05/03 before 11:59 pm.

In short, these are the activities for the entire semester.

Week	Topic
Weeks 1 & 2	Introduction. The big ideas, demand and supply, and market equilibrium. Ch. 1, 3 & 4
Week 3	Ch. 6: GDP and measurement of progress
Week 4	Ch. 7: The wealth of nations and economic growth
Week 5	Ch. 8: Capital accumulation, growth and the economics of ideas
Week 6	Ch. 9: Saving, investment, and the financial system.
Week 7	Ch. 11: Unemployment and labor force participation
Week 8	Midterm. Chapters 4, 6, 7, 8, 9, and 11.
	Spring Break

Week 9	Ch. 12. Inflation and the quantity theory of money
Week 10	Ch. 13: Business fluctuations: Aggregate demand and supply
Week 11	Ch. 15. The Federal Reserve System
Week 12	Ch. 16. Open market operations
Week 13	Chs. 17 & 18. The federal budget and fiscal policy
Week 14	Ch. 19: International trade
Week 15	Ch. 20. International finance
TBA	Final Exam. Chapters 12, 13, 15, 16, 17, 18, & 19

Grading Policies and Procedures

If you find an error in the way you have been graded, please, email me and ask for a review. Any changes to exam or assignment grades must be requested not later than one week after the respective deadline. In the case of the last LC or homework, this request must be done **BEFORE THE LAST DAY OF CLASS**.

Students who miss an exam as the result of required participation in a university activity, a death in the immediate family, or a serious illness (COVID quarantine without a positive test does not count) will receive a make-up exam upon request but no later than 2 weeks after the incident. If you miss an exam due to one of the valid excuses above, please, contact me within 48 hours (about 2 days) to be eligible to receive a make-up assignment. The instructor has discretion over the composition of any make-up exams. Finally, students who miss an exam for any other reason will receive a zero score for the exam.

Finally, keep in mind that Achieve registers all your activity. It registers when you begin to work on an activity (LC, reading, and homework) and when you complete it. If you don't complete it by the deadline, you will get a zero if it is a LC or you get the earned score by the deadline. On the other hand, if you do not work, Achieve will not register any activity. So, if you see a zero in any of your activities, it means that:

1. Fail to pass a LC before the deadline.
2. Did not complete a LC before the deadline(failed)
3. That you did not work at all on the assignment.

Grading Scale

Percent Range (Final Score)	Letter Grade
90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
59 and below	F

Course Expectations

Student Expectations of Instructor:

- The instructor will treat each one of you with respect and as an individual with his/her own beliefs, thoughts, and needs.
- The instructor will provide weekly communication with the class through announcements (video and text), email notifications, and virtual office hours.
- The instructor will respond to emails within 24 hours of receipt during the hours of 9:00 am-4:00 pm, Monday-Friday.
- The instructor will be available to answer questions from students during virtual office hours.
- The instructor will grade assignments and projects according to the specific rubric within two weeks of the submission date.
- The instructor will provide feedback to journals and discussion boards as needed, on a weekly basis.
- The instructor will provide clear and concise instructions on how to complete the online course requirements or any other activity.
- The instructor will provide a range of opportunities to engage in the course content in a meaningful way.
- And, finally, but not less importantly, the Instructor will not change the deadline for the assignments unless something of major force happens.

Instructor Expectations of Students:

- Positive, proactive, or successful students should be diligent in using both oral and written communication showing respect for each one individual's opinion.
- Positive, proactive, or successful students will familiarize themselves with the course syllabus, policies, assessments, evaluation, grading criteria, and course design.
- Positive, proactive, or successful students will complete all coursework on the assigned due date.

- Positive, proactive, or successful students will engage in the course, with their peers, and the instructor, and with open communication and active participation.
- Students should respond to instructor communication requests regarding course progress and general inquiries in a timely manner.
- Positive, proactive, or successful students will not plagiarize the work of others, or use the work of their peers and claim it as their own.
- Positive, proactive, or successful students will use the American Psychological Association (APA) system of referencing when submitting a paper.
- Positive, proactive, or successful students will pre-plan for testing situations and ensure they can access the internet to complete the exam during its assigned date and time.
- Students will be proactive and resourceful to problem solve in case of internet or technical issues.

Sul Ross State University Important Information

1. Official Communications

Official outside-of-class-meeting communications will be delivered to the students via their SRSU e-mail. Students are responsible to check their e-mail daily. Not having checked messages is not a valid excuse for missed course work. Communications can also be done by appointment. IT support regarding blackboard is listed in the image below.



Who should I contact?	
Online Support Desk ☎ 888.837.6055 ✉ blackboardsupport@sulross.edu Available: 24/7 <ul style="list-style-type: none">• Logging into Blackboard• Questions about Blackboard tools/software• Trouble with tests/quizzes/assignments• Error messages on Blackboard• Online course video problems	Lobo Technology Assistance Center (LTAC) ☎ 888.837.2882 ✉ techassist@sulross.edu Available: Monday-Friday 8 a.m. - 5 p.m. <ul style="list-style-type: none">• Logging into your mySRSU/Banner/SRSU email• Campus computer, computer lab, or campus Wi-Fi issues• Security concerns with your SRSU or VPN account• Questions about Office 365 or OneDrive

Or by clicking at <https://www.sulross.edu/bb/>.

2. Policy on Academic Misconduct

Please refer to:

https://d1mg6ms3faonj.cloudfront.net/wpcontent/uploads/2020/09/student_handbook_2019-2020_revision_12.7.2020.pdf

Students should familiarize themselves with the SRSU Student Code of Conduct. Cheating, plagiarism, and/or other form of academic misconduct are NOT TOLERATED in class. Any student found guilty of such misconduct will be subject to disciplinary actions. Including, but not limited to, **zero** score on his/her class activities.

3. Special Needs

Sul Ross State University is committed to equal access in compliance with the Americans with Disabilities Act of 1973. It is the student's responsibility to initiate a request for accessibility services. Students seeking accessibility services must contact Mary Schwartz, M. Ed., L.P.C., in **Counseling and Accessibility Services**, Ferguson Hall, Room 112. The mailing address is P.O. Box C-122, Sul Ross State University, Alpine, Texas 79832. Telephone: 432-837-8691. E-mail: mschwartz@sulross.edu. **All medical information is treated confidentially.**