

ECO 2301. Principles of Macroeconomics

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On-line office hours using Teams: Mon & Wed 8am-4pm 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: Two-way video & in person Monday & Wednesday 10:10am – 11:25 am

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 students to explore and increase the knowledge about the course.

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

Students will have Achieve access through the link in Blackboard (click on Achieve Registration) to have access to the ebook and resources available at Macmillan. Eagle Pass ISD should have provided access to the materials, if you do not have access, please ask your proctor to help.

Course Description

Economics is how a society assigns resources to produce the goods and services needed to satisfy our biological wants (food and shelter, for example) and our enjoyment (leisure, work, travel, etc.). Economists call this the economic problem. Since the time we have been on earth, we have been doing all kinds of activities so we can respond those needs, that is, to solve the economic problem. During the last three hundred years, Economists have produced much knowledge about how each society solves such a problem that Economics became a subject of study. Nowadays, the different economic fields can be grouped into two broad fields: Microeconomics

and Macroeconomics. Microeconomics, on one side, deals with the behavior of individuals and firms and how they make decision under particular circumstances and in specific markets. Macroeconomics, on the other side, studies the performance of an entire economy (the economy of a country, for example) and see the problems in the aggregate level.

Our course, Principles of Macroeconomics, is an introduction to the science of Economic but focuses on the major macroeconomic problems in an open economy by looking at 5 fundamental variables: Gross Domestic Product (GDP), unemployment, inflation, interest rate and the exchange rate. We are going to discuss how to measure the production of goods and services of an economy and how the economy behaves in the short and in the long run to respond to answers such as why there are nations that are rich while others are very poor; what is unemployment and inflation and what their causes are, why and how the Federal Reserve Bank and the government can use monetary and fiscal policies to change the interest rate and thus keep the economy on the path of sustained and stable economic growth and 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 trad 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)	5%
Self-report where you inform whether or not you completed each chapter activities	5%

Each on-line exam covers 6 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 the student is expected to differentiate concepts, analyze particular problems and determine the outcome of such problem, identify a problem within a given context by means of a graph.

There is a Learning Curve (LCs) that the student needs to answer before reading the assigned chapter for that week. 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 for during Spring Break week. LCs are pass/fail. If the student gets 100 points in the evaluation, the student passes (grade is 100); otherwise, the student fails (grade is zero). However, the student can keep trying until the student passes. The student should do this before the deadline. There aren't late submissions. So, be wise.

Like the Learning Curves, Homework is due every Sunday before 11:59 pm Central Time. The student can use homework to study; though, So, homework must be submitted before the deadline since there aren't late submissions.

Finally, there are other activities such as discussions, self-reflection, and self-reporting. Whenever there is a discussion, the student must submit at least one opinion and responds to another student's opinion. The purpose of this activity is that students can learn interacting with

one another. The student is expected to communicate with her/his classmates, read and reflect on their opinions, and, then, provide make a comment that can positively contribute to the discussion. At all times, it is expected that the student respects her/his classmates opinions using an appropriate language. The student will be valued on the content of the opinion. So, be careful and don't say silly things. Self-reflections are journal entries where the student judges how were her/his experience with the activities and the contents of each chapter. And, at last, after having worked on all the previous activities, the student must reflect on the activities, tell the story of her/his own experience working on the assignments and also reporting whether or not all activities were completed (and why not). Following the code of integrity, an honest answer will be given a positive contribution towards her/his final grade since this value is fundamental for her/his personal growth.

Course Schedule and Contents

Read this first.

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 (08/26 – 09/01). 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 09/01 before 11:59 pm.
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Week 2 (09/02 – 09/08). 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 09/01 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 09/08 before 11:59 pm.

Week 3 (09/09 – 09/15). 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 09/08 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 09/15 before 11:59 pm.

Week 4 (09/16 – 09/22). 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 09/15 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 09/22 before 11:59 pm.

Week 5 (09/23 – 09/29). 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 09/22 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 09/29 before 11:59 pm.

Week 6 (09/30 – 10/6). 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 09/29 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 10/6 before 11:59 pm.

Week 7 (10/7 – 10/13). 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 10/6 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 10/13 before 11:59 pm.

Week 8 (10/14 – 10/20). Review and midterm**Objectives**

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

Week 9 (10/21 – 10/27). 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 10/20 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 10/27 before 11:59 pm.

Week 10 (10/28 – 11/3). 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 10/27 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 11/3 before 11:59 pm.

Week 11 (11/04 – 11/10). 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 11/3 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 11/10 before 11:59 pm.

Week 12 (11/11 – 11/17). 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 11/10 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 11/17 before 11:59 pm.

Week 13 (11/18 – 11/24). 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 11/17 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 11/24 before 11:59 pm.

Thanksgiving Break (11/25 – 12/1)**Week 15 (12/2 – 12/8). Ch. 19. International trade & finance****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
- 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 12/1 before 11:59 pm.

- Read: *Chapter 19*
- Learning curve for chapter 19.
- Read: *Chapter 20*
- Learning curve for chapter 20.

Activities/Assignments

- Complete homework, discussions, self-reflection, and self-report from chapter 19 & chapter 20. Due Sunday 12/8 before 11:59 pm.

Week 15 (12/9 – 12/13). Final Exam Week

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.
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
	Thanksgiving Break

Week 14	Ch. 19 & 20. International trade & finance
Week 15 – date 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 type up a written request for my consideration, and return it together with the problem or exam in question to the instructor. Any changes to exam or assignment grades must be requested **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. Students who miss an exam for any other reason will receive a zero score for the exam. If you miss an exam due to one of the aforementioned valid excuses, please contact the instructor within 48 hours to be eligible to receive a make-up assignment. The instructor has discretion over the composition of any make-up exams.

Grading Scale

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

Course Expectations

What you should expect from me

- Instructor will treat each one of you with respect and as an individual with his/her own beliefs, thoughts, and needs.
- Instructor will provide weekly communication with the class through announcements (video and text), email notifications, virtual office hours, and weekly Instagram group chats that will be created solely for the course.
- Instructor will respond emails within 24-hours of receipt during the hours of 9:00 am-4:00 pm, Monday-Friday.

- Instructor will be available to answer questions from student during virtual office hours.
- Instructor will grade assignments and projects according to the specific rubric within two weeks of the submissions date.
- Instructor will provide feedback to journals and discussion boards as needed, on a weekly basis.
- Instructor will provide clear and concise instructions on how to complete the online course requirements or any other activity.
- Instructor will provide a range of opportunities to engage in the course content in a meaningful way.
- And, finally, but not less important, the Instructor will not change the deadline for the assignments unless something of mayor force happened.

My expectations from students

- Positive, proactive, or successful students should be diligent to use 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 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.
- Student should respond to instructor communication requests regarding course progress and for general inquires in a timely manner.
- Positive, proactive, or successful students will not plagiarize the work of other, 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 are able to 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?

<p>Online Support Desk</p> <p>☎ 888.837.6055</p> <p>✉ blackboardsupport@sulross.edu</p> <p>Available: 24/7</p> <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	<p>Lobo Technology Assistance Center (LTAC)</p> <p>☎ 888.837.2882</p> <p>✉ techassist@sulross.edu</p> <p>Available: Monday-Friday 8 a.m. - 5 p.m.</p> <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
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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.**