

El Camino College
Economics 1, Principles of Economics: Macroeconomics
Fall Semester, 2009
Instructor: Thomas Glenn
Office: SS202D
Office Hours: 12:45-1:15pm TTh by Prior Arrangement Only
E-mail: tglenn1602@aol.com

Brief Course Description

An analysis of the national economy with an emphasis on national income, employment, the price level, and interest rates. An inquiry into macroeconomic policy goals and fiscal policy, money and banking, monetary policy, and international finance.

Course Requirements

The basic course requirements are regular attendance at each class meeting, completion of the reading assignments *before* the class meeting in which they will be discussed, and 5 85-minute tests.

Attendance and Drop Policy

As required by El Camino College, I will be taking attendance each time this class meets. The best way to learn the subject of economics is to read the text assignment first, then come to the lecture on that topic and take detailed lecture notes. That way, if you still have questions after reading the text and listening to the lecture, you can ask them in class or during my office period while the question is still fresh in your mind. For that reason, I want you to attend every class meeting. If you decide that you want to drop this course, remember that dropping the course by the last day to drop with a W (Friday, November 20) is your responsibility. Do not assume that I will do this for you.

Required Text

William A. McEachern, *ECON Macro, 2008-2009 Edition*.

Reading Assignments

Reading assignments are given in the *Course Outline and Reading Assignments* section below. As noted above, you will find economics easier to learn if reading assignments are completed *before* the class meeting in which they will be discussed. All reading assignments refer to the required McEachern text.

Tests

There will be 5 85-minute non-cumulative tests given during the course. Each test will cover 2 chapters. Tests will consist of multiple choice questions, short answer questions with and without graphs, numerical problems and essay questions. A typical test worth 75 points might include 25 multiple choice questions worth 50 points and 25 points worth of short answer questions, numerical problems and/or essay questions. Each test will be a "closed book" test; that is, you may not refer to the text or to any written notes during the test. Bring a Scantron Form 882-E and a large blue book (11 inches by 8.5 inches) for each test. The Scantron Form 882-E and the large blue book can be purchased in the El Camino College Bookstore. Please note that the 5th test will only be given on the last day of class (December 17th). No one will be allowed to take that test on an earlier day to accommodate their travel plans for the summer.

Grading Policy

I will drop your worst score on the 5 tests. Your final grade will therefore be based on your best 4 test scores. There is a total of 300 points that can be earned on the 4 best tests (75 points each). Final grades will be assigned as follows: 255-300 points, A; 210-254 points; B; 165-209 points; C; 120-164 points; D; and less than 120 points, F. Please note that there is no other form of graded work such as homework assignments or extra credit assignments.

Make-up and Incomplete Policy

I do not give makeup tests, so a missed test will be dropped as your worst score on the 5 tests. I also do not give Incompletes.

Suggestions on How to Succeed in Economics I

- Complete reading assignments in the textbook *before* coming to the class meeting in which the topic will be discussed.
- Attend every class and take detailed notes on the lectures. All test questions will be based on material covered in lectures.
- After class, revise your lecture notes into a more organized and more readable format for future study, and reread the assigned reading in the text, making a special effort to fill in the gaps and correct the errors in your lecture notes. To study for a test, reorganize your notes into answers for each item on the Study Guide.
- If, after reading a chapter, attending the lecture on that chapter, rereading the chapter in the text, and revising your lecture notes, you still do not understand a particular concept, arrange to see me during my office period as soon as possible.

Course Objectives

- 1) Define and describe the principal tools utilized for economic analysis.
- 2) Describe the central economic problem of scarcity and the economic resources available to produce the goods and services that satisfy society's material wants.
- 3) Explain the significance of supply and demand.
- 4) Analyze the economic roles played by households, businesses, governments, and international trade in the United States' economy.
- 5) Define labor productivity and evaluate the relationship between increases in labor productivity and the rate of economic growth.
- 6) Calculate the rate of unemployment and rate of inflation from numerical data.
- 7) Calculate Gross Domestic Product from numerical data.
- 8) Explain and analyze the aggregate expenditures theory and the aggregate demand and aggregate supply theories.
- 9) Describe and discuss the principal tools of fiscal policy and how the Federal government uses these tools to correct unemployment problems and inflation.
- 10) Describe and evaluate the operations of private banks and the role the private banking system plays in the conduct of Federal Reserve Bank monetary policy.
- 11) Identify the principal tools of monetary policy available to the Federal Reserve System and assess how they are utilized to correct problems of unemployment and inflation.
- 12) Calculate the balance of payments from numerical data and discuss how foreign exchange rates are determined.
- 13) Describe and analyze international trade and government restrictions to international trade.

Student Learning Outcome: Using tools of economic analysis, write an essay describing how resources are allocated and prices are determined in a market economy.

Course Outline and Reading Assignments

Tuesday, September 1

Introduction to course/Reading Assignment: None

Thursday, September 3

Introduction to Macroeconomics/Reading Assignment: Chapter 5

Tuesday, September 8

Introduction to Macroeconomics/Reading Assignment: Chapter 5

Thursday, September 10

Introduction to Macroeconomics/Reading Assignment: Chapter 5

Tuesday, September 15

Tracking the U.S. Economy/Reading Assignment: Chapter 7

Thursday, September 17

Tracking the U.S. Economy/Reading Assignment: Chapter 7

Tuesday, September 22

Tracking the U.S. Economy/Reading Assignment: Chapter 7

Thursday, September 24

1st Test on Chapters 5 & 7 (75 points). Bring Scantron Form 882-E and Large Blue Book..

Tuesday, September 29

Unemployment and Inflation/Reading Assignment: Chapter 8

Thursday, October 1

Unemployment and Inflation/Reading Assignment: Chapter 8

Tuesday, October 6

Aggregate Expenditure/Reading Assignment: Chapter 9

Thursday, October 8

Aggregate Expenditure/Reading Assignment: Chapter 9

Tuesday, October 13

2nd Test on Chapters 8 & 9 (75 points). Bring Scantron Form 882-E and Large Blue Book.

Thursday, October 15

Aggregate Expenditure and Aggregate Demand/Reading Assignment: Chapter 10

Tuesday, October 20

Aggregate Expenditure and Aggregate Demand/Reading Assignment: Chapter 10

Thursday, October 22

Aggregate Expenditure and Aggregate Demand/Reading Assignment: Chapter 10

Tuesday, October 27

Aggregate Supply/Reading Assignment: Chapter 11

Thursday, October 29

Aggregate Supply/Reading Assignment: Chapter 11

Tuesday, November 3

Aggregate Supply/Reading Assignment: Chapter 11

Thursday, November 5

3rd Test on Chapters 10 & 11 (75 points). Bring Scantron Form 882-E and Large Blue Book.

Tuesday, November 10

Fiscal Policy/Reading Assignment: Chapter 12

Thursday, November 12

Fiscal Policy/Reading Assignment: Chapter 12

Tuesday, November 17

Banking and the Money Supply/Reading Assignment: Chapter 15

Thursday, November 19

Banking and the Money Supply/Reading Assignment: Chapter 15

Tuesday, November 24

Banking and the Money Supply/Reading Assignment: Chapter 15

Thursday, November 26

No Class

Tuesday, December 1

4th Test on Chapters 12 & 15 (75 points). Bring Scantron Form 882-E and Large Blue Book.

Thursday, December 3

Monetary Theory and Policy/Reading Assignment: Chapter 16

Tuesday,, December 8

Monetary Theory and Policy/Reading Assignment: Chapter 16

Thursday, December 10

International Finance/Reading Assignment: Chapter 19

Tuesday, December 15

International Finance/Reading Assignment: Chapter 19

Thursday, December 17

5th Test on Chapters 16 & 19 (75 points). Bring Scantron Form 882-E and Large Blue Book.