



Econ 202 – Principles of Macroeconomics
Spring 2018
M, W, F 1:40-2:30, Mundelein 514

Instructor: Mary Beth Cummings, M.S.

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Office Hours: Mon. 12:30-1:30, Wed. 2:35-3:35, & by appointment

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Course Description:

This course is an introduction to national product, its components, money and the real sectors and business fluctuations.

Course Overview:

The Principles of Macroeconomics studies the economic environment of the nation and measures growth, unemployment, inflation, fiscal and monetary policies of the government to ultimately understand economic stability and the welfare of the individual citizen. The course starts with the concept of opportunity costs of macro behavior of the government in a country. It examines the determinants of growth in a country in terms of factors and trade and the production possibility frontier. The universally accepted definition of growth is by GDP (Gross Domestic Product), which this course tracks throughout the 20th century economic history. This course is built on the Depression experience and the policy proposals, which were installed to remedy the crisis during the New Deal era and beyond. The pedagogy is a combination of analytical formulas, graphs, theory and their application to current and historical business cycles.

Course Objectives and Learning Outcomes

The students will be able to

- Think critically about the economic environment of the nation
- Measure growth, unemployment, inflation, fiscal and monetary policies of the government
- Ultimately understand economic stability and the welfare of the individual citizen.

Required Materials

Principles of Macroeconomics: Economics and the Economy, 4th Edition, Timothy Taylor, Textbook Media Press.

ISBN: 978-0-9969963-3-4

www.textbookmedia.com

Problem sets and additional readings will be posted on Sakai

Suggested Supplementary Resources

Tutoring Center: The Tutoring Center offers free small group tutoring and walk-in tutoring for Loyola students. The groups meet once a week through the end of the semester and are led by a peer tutor who has successfully completed study in the course material. To learn more or request tutoring services, visit the Tutoring Center online at www.luc.edu/tutoring.

Useful Websites:

www.conversableeconomist.blogspot.com is Timothy Taylor's blog with posts that relate to the topics from the book

www.kahnacademy.org offers tutorials and practice problems on 6 different macroeconomic topics in the macroeconomics tutorials section and several fundamental topics in the microeconomics tutorials section

Sakai: To access the course website, go to <https://sakai.luc.edu/portal/> and use your universal id to logon.

Course Requirements and Grading Criteria

- Students should be prepared for extensive mathematical problem solving and graphical analysis.
- While there is no absence policy, attendance and participation are imperative. Points for **class participation** are based on specific *unscheduled* opportunities for discussion in class. Students are expected to submit feedback from these discussions *during the relevant class meeting*. Participation points are based on that feedback.
- Timely completion of problem sets and keeping up with weekly reading is critical to success in this course. Online problem sets will be regularly assigned and reviewed in class. If you are having difficulty with a concept or solving problems, you need to see me right away. The material builds on itself and you can fall behind quickly.
- **Problem sets** are online and graded electronically. (There will be at least one problem set for each main topic/chapter.) Feedback is provided electronically after the due date. Problem sets that are not completed by the deadline will receive zero points. The lowest 3 problem sets will be dropped in calculating your grade.
- **Exams** must be taken on the date scheduled. Each student is expected to supply his or her own *calculator*.
- **Blog Comments** must be submitted on Sakai on the due date. No late blog comments will be accepted. You will be asked to complete a Blog Comment at least 7 times (it is possible that more than 7 comment opportunities will be available. This depends on current relevant source material.) Your best 5 comments will be counted toward your grade.
- The **Blog Entry** must be submitted on the due date. A late Blog Entry will lose **1** point per 24 hour period from the electronic deadline. A Blog Entry rubric is available on Sakai in the 'Rubrics' folder.
- There are no extra credit assignment opportunities.
- **Cell phones** should be turned off or silenced and put away during class and exams. No texting during class. To minimize distractions, laptops, tablets, smart phones must be closed during class unless noted beforehand. **Recording and pictures are not allowed** during class unless you expressly request permission in advance.
- **Missed Exams:** See Quinlan School policy on Make-up Exams below.

- **Final grades** are computed as the *weighted average* of the components using the weights shown in the following section: Methods of Evaluation. Note that Sakai reports an unweighted average. That is NOT an accurate measure of your weighted average and therefore, not a good measure of your grade during the semester.
- Students must provide instructions from SSWD for any necessary **accommodations** at least 2 weeks before the accommodation is used so that I can coordinate with SSWD
- **Exam dates: Mid-term Exams: Wednesday, February 21, & Wednesday, March 28**
Final Exam: Thursday, May 3, 1 – 3 p.m.

Exam questions will be similar to those on the problem sets. Additional practice problems will be posted on Sakai during the week prior to the exam.

Methods of Evaluation: Grades are based on:

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| Problem Sets (lowest 3 dropped) | equally weighted – total of 20% |
| Class Participation | 5% |
| Blog comments (best 5 of 7) | 5% |
| Blog assignment | 10% |
| Two Mid-term exams | 20% each for a total of 40% |
| Final exam | 20% |

The grading scale for the course is:

A: 100-93%, A-: 92-90, B+: 89-87, B: 86-83, B-: 82-80, C+: 79-77, C: 76-73, C-: 72-70

D+ : 69-67, D: 66-60, F: 59 and below

There are no extra credit assignment opportunities.

Attendance

Class attendance is mandatory and essential to the value of the learning experience. Students are expected to attend all class sessions in order to pass the course. Missing more than 20% of scheduled classes severely jeopardizes the student’s ability to pass the course (this includes late arrival due to commuting from WTC).

In the event unavoidable emergencies or conflicts prevent you from attending class, you must notify the instructor and program director by e-mail prior to missing the class, and request options for covering missed material. Most of the subjects in a course are sequential. Therefore, it is important to understand the material covered in the missed class before the next class.

Make-Up Examinations/Assignments

Loyola University academic policy provides that tests or examinations may be given during the semester or summer sessions as often as deemed advisable by the instructor. Because Quinlan faculty believe examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. **Make-up examinations are discouraged.** Exceptions may be granted only by the faculty member or department chair, and only for unavoidable circumstances (illness verified by a signed physician’s note, participation in intercollegiate athletic events, subpoenas, jury duty, military service, bereavement, or religious

observance). A make-up final examination may be scheduled only with the permission of the appropriate Quinlan Assistant or Associate Dean.

If a make-up examination must be given, it is the responsibility of the faculty member to prepare, schedule, and proctor the exam. Limited assistance in proctoring make-up exams may be available through a designated Quinlan administrative assistant. For a student with a documented special testing need, please consult University policy concerning use of the testing center in Sullivan Center at Lake Shore Campus.

Academic Integrity

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood...Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of "F" for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website:

<http://www.luc.edu/media/lucedu/quinlanschoolofbusiness/pdfs/Honor-Code-Quinlan-July2012.pdf>

| Week | Topic and Chapters |
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| 1/17, 1/19 | Basic Economic Concepts, Scarcity – Chapters 1, 2 |
| 1/22, 1/24 | Specialization, Comparative Advantage and Trade – Chapter 3 |
| 1/26, 1/29 | Demand and Supply in the Product Market, Equilibrium – Chapter 4 |
| 1/31 | Demand and Supply in Labor and Financial Capital Markets – Chapter 5 |
| 2/2 | Demand and Supply across Economic Borders – Chapter 6 |
| 2/5, 2/7, 2/9 | Measuring an Economy, Economic Growth – Chapters 7, 8 |
| 2/12, 2/14, 2/16 | Unemployment, Measuring Unemployment – Chapter 9 Inflation, Measuring Inflation – Chapter 10 |
| 2/19, 2/21 | Review and Exam |
| 2/21 | First Mid-term exam |
| 2/23, 2/26 | Measuring Trade – Chapter 11 |
| 2/28, 3/2 | Aggregate Demand and Aggregate Supply – Chapter 12 |
| 3/5, 3/7, 3/9 | Spring Break |

3/12 3/14, 3/16 The Components of AD and the Keynesian Perspective – Chapter 13
Prices and the Neoclassical Perspective – Chapter 14

3/19, 3/21, 3/23 Money and Banks – Chapter 15

3/26, 3/28 Review and Exam

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| 3/28 Second Mid-term Exam |
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3/30, 4/2 No classes – Easter break

4/4, 4/6, 4/9 Monetary Policy – Chapter 16

4/11, 4/13 Exchange Rates – Chapter 17

4/16, 4/18 Fiscal Policy, National Debt – Chapters 18, 19

4/20, 4/23 Macroeconomic Policy around the World - Chapter 20

4/25, 4/27 Catch up and Review

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| Final Exam Thursday, May 3, 1-3 p.m. |
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Please note: This class may occasionally deviate from the course outlined above. The instructor reserves the right to make changes as needed to the course syllabus.