

Chaminade University
Honolulu, Hawaii 96816

BU241 Spring 2000
Principles of Macroeconomics

SD
Pm

INSTRUCTOR: Barbara P. Street. Ph..D. '

Office Hours: MWF 11:00-1; TR 11-12:30 or by appointment

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COURSE TITLE: Principles of Macroeconomics

TEXT: Stephen Slavin, Macroeconomics, 1996, 5th ed

I. COURSE DESCRIPTION: This course analyzes the structure and operation of the American economy as a whole. Specific topics analyzed include the determination of the level of aggregate output, employment and prices; business cycles; the monetary and fiscal system; effects of monetary and fiscal policies on economic stability and growth, and international finance and the macro economy.

II. COURSE OBJECTIVES: Unemployment, inflation, recession, interest rates, deficits, are recurring headlines in our daily newspapers and magazines. This introductory economics course is designed to provide the foundation of economic knowledge that every person should have to understand the economic issues that confront us in our daily lives. At the end of this course, the student should be able to:

1. Explain the nature of economic problems and goals.
2. Demonstrate an understanding of economic concepts and basic analysis required to deal with economic issues.
3. Discuss economic philosophies and theories that shape our economic thinking.
4. Discuss the features of major economic institutions and how these institutions affect our economy.
5. Analyze policy options and to discuss whether these policies achieve our economic goals.

III. MAJOR ASSIGNMENTS:

1. Prompt and regular attendance is expected of all students. It is expected that each student will actively participate in class. For each absence or day of non-participation above 3, 5 points will be deducted from those 50 points allotted to attendance / participation.
2. Students are expected to keep up with the reading assignments as listed on the syllabus.
3. Students are expected to turn in written homework assignments when due. Late work may NOT be accepted, and will be assessed a penalty of 5 per cent per day late when it is accepted.

4. Students are expected to read economic articles in current news media to stay abreast of economic developments. and summarize 10 articles to turn in as noted on course outline. Please provide a copy of the original article with your submission-- and be sure to include the DATE and SOURCE of the article.

IV. GRADING POLICY:

Course grades will be based on the following:

1 st midterm	100 points
2nd midterm	100 points
homework	100 points
articles	100 points
attendance/participation	50 points
FINAL EXAM	150 points

TOTAL	600 points
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A: 540-600 points; B: 480-539 points; C: 420-479 point; D: 350-419 points;
F: below 350 points

January

19

Introduction: What is economics all about?

Course syllabus and course requirements

READ CHAPTER 2 of Text for next class.

Read chap 2 of text for next class

21

The Law of Scarcity: why we make choices

Complete Activity 1 for next class

24

Growth in a world of constrained resources

Read Chap. 3 to page 53 for next time

26

Demand

Submit Learning Logs Today

Complete Activity 2 for next time

Read to end of Chapter 3 for next class

28

Supply

Complete Activity 3 for next class

Read to end of Chapter 3 for next class

31

Equilibrium: The interaction of supply and demand

Complete Activity 4 for next class

Read chapter 4 to p. 66 for next class

February

2

Our Mixed Economy-

Read Chap 5 to page 95

4

Household Spending: Consumption

Complete Activity 5 for next class

Read Chapter 5 to end for next class

7

Determinants of Consumption

Read Chapter 6 to p. 116 for next time

9

Business Spending: Investment

Determinants of Investment

Complete Activity 7 for next time

Read Chapter 6 to end

11

Determinants of Investment

Complete Activity 8 for next class

Read Ch. 7 to page 130 for next class

14

Government Spending

read Chap 7 to end for next class

16

Complete Activity 3 for next class

Read Chap. 8 to page 165

18

Measuring Output: Gross Domestic Product

Complete Activity 9 for next class

Read chapter 8 to end for next class

21

Making GDP Comparisons Useful: Indexing

Complete Activity 10 for next class

23

GDP: Is it a Useful Concept?

Read Chapter 9 to page 190 for next class

25

Business Cycles

Complete Activity 11 for next class

Read Chap 9 to p. 197 for next class

read Chapter 9 to end

28

Unemployment

Complete Activity 12 for next class

read Chap 9 to end for next class

March

1

Inflation

3

MIDTERM EXAM

Read Chapter 10 to page 228 for next class

6

Classical Economics

Read Chapter 10 to end

8

Keynesian Economics

Complete Activity 13 for next class

Read chap. 11 pages 243-248 for next class

10

The Multiplier Effect

Complete Activity 14 for next class

Read handout for next class

13

Keynes and Taxation

Complete activity 15 for next class

Read handout for next class

15

Keynesian Economics Overview

Complete Take-home Quiz for next class

Read Chapter 12 to page 285

17

What is Money? What functions does it play?

Complete Activity 16 for next class

Read chap 12 to p. 291

20

Why do we hold money?

Read Chap 12 to end for next class

22

How Banks Create Money

Complete Activity 16 for next class

Read Chapter 13 to page 316

24

What is the Federal Reserve?

Read Chapter 13 to 325

April

3

How the Federal Reserves Controls the Money Supply

Complete Activity 16 for next class

5

Bank Regulation in the USA

Read Chapter 14 to page 340

Classical and Keynesian Views on Monetary Policy

Read Chapter 14 to end for next class

10

Theory of Money Continued

12

Additional Policy Views

14

MID TERM EXAM

17

What is the Balance of Payments?

Complete Activity 17 for next class

Read Chap 19 to page 484 for next class

19

The Exchange Rate Systems

Complete Activity 18 for next class

Read chapter 19 to page 480 for next class

24

Floating Exchange Rates

Complete Activity 19 for next class

Reading assignments to be announced

26

What Does Globalization Mean

Read Chapter 19 to page 472 for next class

28

TBA

May

1

TBA

3

TBA

REVIEW AND CATCHUP

9

10:30 AM - 12:30 PM FINAL EXAM