

COURSE OUTLINE
ECONOMICS I, PRINCIPLES OF MACROECONOMICS
ECON001.10, TUESDAY-THURSDAY 4:00-5:40PM, S55

De Anza College, Spring 2009, Dr. Andrew LaManque
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Description:

This course will provide an introduction to Macroeconomics. Topics covered will include national income accounting, money and the banking system, money and the price level, classical macro theory, Keynesian macro theory, monetary and fiscal policy, and international trade.

Advisory: English Writing 1A or English as a Second Language 5.

Course Objectives – at the end of this course I hope you will be able to:

- Evaluate the potential impact of expansive Government Fiscal policies involving expenditures and taxation on the level of National output, employment and prices.
- Evaluate the potential impact of an expansive monetary policy on the level of National output, employment and prices.
- Compare and contrast basic economic models, as they relate to both fiscal and monetary policy, including classical macro theory, Keynesian macro theory and the recent revisions of rational expectations, supply-side and general equilibrium theories.
- Given a brief description of a simple exogenous shock (e.g. a spike in gas prices) describe and defend what will happen to output and prices in the short run.

Questions are encouraged, and necessary. Many economic concepts can be found in our day-to-day experiences, and you are invited to share your knowledge and experience as amplification of concepts and issues raised.

Required Text: Economics Today, The Macro View, by Roger Miller, 15th edition (2004 edition), Addison Wesley Publishers. Wall Street Journal **Recommended**.

Needs identification: I would appreciate hearing from anyone in the class who may require some special accommodation. Please see me after class so that we can discuss your needs.

Readings: Reading assignments from the Miller book are listed according to the schedule on the back page. Please do the readings before class, as this will result in better informed class discussions and save you a good deal of last minute cramming before tests. Reading assignments are not long in terms of the number of pages, but since the material can be of a technical nature, it is unlikely that you will grasp it well with just one reading. Reading the assignments a second time will greatly improve your understanding, and your performance on the tests will reflect this. Additional readings may be distributed and assigned during class.

Evaluation: The final grade in the course will be the result of the following forms of evaluation and their appropriate weighting factor.

- 1) Worth 20% of the grade. 10 reviews/summaries of a newspaper article on the economy from either the NY Times or the Wall Street Journal. The review should be one paragraph and include the article or a copy stapled to the back. Reviews can be typed or hand written and are due each Tuesday (generally) at the start of class. Each review will be graded 1-10. Reviews handed in within one week of the date will be accepted with a 5 point reduction, after a week they will not be accepted.
- 2) Two exams, each worth 15% (total of 30% of the final grade).
- 3) A final worth 20% of the final grade. The exams will cover class discussions and the book material (whether or not discussed explicitly in class).
➤ *BRING A "PAR SCORE" ANSWER SHEET AND A #2 PENCIL TO ALL EXAMS.*
- 4) Two written essays, each worth 15% (total of 30% of the final grade). The papers must be typed, 1-2 pages – single-spaced, with 1 inch margins, with all references properly cited in End Notes (on a separate page). The papers must include at least 1 outside reference. The essays will be graded with consideration for the following elements: format, understanding of the materials, **and the ability to support conclusions with information and references.**

Essay # 1 – Write an essay on one of these topics:

- History of Federal Reserve – Why Created, Who was President, Was there opposition, comparisons today's policy proposals
- Unemployment Rate History – Great Depression to Today
- Japan's Economic Downturn in the 1990's
- Housing Bailout
- Bank Bailout
- Lending Practices in India, has it shielded them from the current downturn?
- Current State of the Chinese Economy

Essay #2 – Pick a career field (for example, "Economist") and write an essay which includes data on:

- A) The number employed in the occupation in Santa Clara County and nationally
- B) Average wages
- C) Education level for entrance
- D) Projected job openings over the next several years
- E) Examples of institutions in the Bay Area that employ people in this field.

To receive a grade for the essays each student will be asked to brief the class orally on their findings. Your selection of career field for Essay #2 must be approved by May 19.

Final Grades:

Note: A+= 98-100, A = 93-97%; A- = 90-92%; B+=88-89%, B = 83-87, B- = 80-82%, C+= 78-79, C = 70-77, D = 65-69, Below 65 = F.

Cheating: Anyone who cheats will not be allowed to drop and will receive a failing grade for the course, along with my recommendation to the dean that they be dismissed from the college.

Cell Phones and Disruptive Behavior: Please turn cell phones off during class. If you have a question during class, please raise your hand and wait for me to call on you. Talking during the lectures is a disruptive behavior that interrupts the learning process of other members of the class, and those who talk during the lectures will be dropped from the class. Students may also be dropped for other kinds of disruptive behaviors as defined by the De Anza College Student Handbook.

Drops: Once you are officially registered in this course, students wanting to drop the course must initiate the drop procedure with the “drop card.” You must decide by the drop date whether you intend to meet the course requirements, and if you do not, you must drop on or before that drop date to avoid receiving an F grade.

Make-Up Exams: Make-up exams will be given only for very special circumstances, and only then in the event that the instructor is notified prior to the exam date about the expected absence. Normally, only such reasons as student sickness, or family emergency, will be considered as sufficient grounds for granting a make-up exam (the instructor reserves the right to ask for documentation). If an exam is missed for a legitimate reason as noted above, the instructor may either a) excuse the student from taking the exam (and recalculate the grade weights), OR b) allow the student to take a make-up exam. The instructor reserves the right to give make-up examinations in 1) essay form 2) objective form, or 3) a combination of essay/objective/problem solving formats.

Assignment Due Dates: Assignments are due at the beginning of the class in which they are due, or before. Assignments handed in late will be accepted but with a 50% reduction in points. In cases of documented emergencies, the same policy will be followed as outlined for make-up exams. If you know you will be absent, it is your responsibility to drop the assignment off at my office and email / call me before class.

Schedule (Note: the schedule is subject to change based on the needs of the class)

April 7:	Introductions, start Chapter 1, Economic concepts
April 9:	Read Chapters 1, 2, and 3. Scarcity and Demand/Supply.
*April 14:	Read Chapter 4. Demand / Supply Continued.
April 16:	Continue with 3 and 4. Review for exam.
*April 21:	Exam #1
April 23:	Read Chapter 5. Public Choice.
April 28:	OFF - Work on Paper at home
*April 30:	Read Chapter 6. Taxes.
*May 5:	Read Chapter 7. Unemployment and Inflation.
May 7:	Paper #1 Due
*May 12:	Read Chapter 8. Measuring Economic Activity-GNP, National Income.
May 14:	Read Chapters 9 and 10. Growth, Real GDP and the Price Level
*May 19:	Read Chapter 11. Classical vs. Keynesian approaches. Essay #2 Topics.
May 21:	Exam # 2
*May 26:	Read Chapter 12. The Multiplier.
May 28 :	Read Chapter 13. Fiscal Policy and Chapter 14 Deficit Spending.
*June 2:	Read Chapter 15. Money and Banking.
June 4:	Read Chapter 16. Money Creation.
*June 9:	Read Chapter 17. Monetary Policy.
June 11:	Read Chapter 33: Comparative Advantage.
*June 16:	Essay #2 Due / Presented.
June 18:	Review for Exam
June 23:	Exam #4 (Final) 4-6pm
* newspaper article summary due at start of class	