

**ECON 202 – MACROECONOMICS**  
**Fall 2009 – MWF 8:00-8:50 a.m., Mitchell Hall Room 207**  
**Prof. John Zietlow, D. B. A., CTP**

**TEXT:**

Schiller, Bradley R. (2006). **The Macroeconomy Today**. Paper. Tenth Edition. McGraw-Hill Irwin, New York, NY. You need to buy the one that is bundled with the 11<sup>th</sup> edition Connect software, however. This software enables quizzing, which is a vital component of this course.

**OTHER REQUIRED MATERIALS:**

Connect, the online web-based quizzing program. If you bought the bundled edition, you are all set.

**CATALOG DESCRIPTION:**

A study of macroeconomics taking a broad view of the American economy, exploring topics such as money, total output and spending, national income, inflation, unemployment, and economic stabilization methods. Offered each semester.

**I. PURPOSE**

This course is designed to assist the student in building a conceptual framework with which to better understand economic policy decisions and the impact of economic factors on society, businesses, nonprofit organizations, and individuals.

**II. OBJECTIVES**

A. General Behavioral Objectives

This course seeks to:

1. Introduce the student to the economy and economic concepts.
2. Assist the student in developing a conceptual framework upon which to base decisions of personal and family financial stewardship.
3. Assist the student to achieve a working knowledge of techniques for analyzing economic data, for purposes of personal, business, and societal decision-making.
4. Provide an integration of one's faith and Biblical ethics with the economic arena.

B. Specific Behavioral Objectives

As a result of the activities and study in this course, the student should be able to do the following:

1. Understand the goals and functions of the economic system.
2. Understand the major economic factors that must be addressed in economic decision making.
3. Analyze the likely effect of economic policy choices.
4. Recognize the scriptural and ethical bases for economic systems and policy choices.

5. Anticipate the likely effect on businesses, nonprofits, families, and individuals of inflation, unemployment, interest rate changes, and exchange rate changes.
6. Understand that the Christian individual's approach to his/her responsibilities will differ from that of the non-Christian individual.

### III. TOPICS TO BE COVERED

- A. Careers in Economics
  1. General:  
<http://www.mhhe.com/economics/theleadingindicator/>
  2. Careers in Business Economics:  
<http://www.nabe.com/careers/index.html>
- B. Core Issues in Economics
  1. Scarcity
  2. Production Possibilities
  3. Choice Mechanisms
  4. What Economics is All About
  5. Using Graphs
- C. The U.S. Economy in Global Perspective
  1. What America Produces
  2. How America Produces
  3. For Whom America Produces
- D. Supply and Demand
  1. Who Participates in Markets?
  2. The Circular Flow
  3. Demand
  4. Supply
  5. Equilibrium and Market Outcomes
- E. The Public Sector
  1. Market Failure
  2. The Growth of Government
  3. Taxation
  4. Government Failure
  5. Downsizing Government
- F. National Income Accounting
  1. Basic Concepts
  2. Exports and Imports
- G. Unemployment
  1. The Labor Force
  2. Measuring Unemployment
  3. The Human Costs
  4. Defining Full Employment
  5. The Historical Record
  6. Outsourcing Jobs (Debate)

- H. Inflation
  - 1. What is Inflation?
  - 2. Effects of Inflation
  - 3. Measuring Inflation
  - 4. Goal: Price Stability
  - 5. The Historical Record
  - 6. Causes of Inflation and Protecting Against Inflation
- I. The Business Cycle
  - 1. Stable or Unstable?
  - 2. Historical Cycles
  - 3. A Model of the Macro Economy
  - 4. Aggregate Demand and Supply
  - 5. Competing Theories of Short-Run Instability
  - 6. Long-Run Self-Adjustment
  - 7. Macro Policy Options
- J. Aggregate Demand
  - 1. Macro Equilibrium
  - 2. Consumption
  - 3. The Consumption Function
  - 4. Investment
  - 5. Government and Net Export Spending
  - 6. Macro Failure
- K. Self-Adjustment or Instability?
  - 1. Multiplier Process
  - 2. Adjustment to an Inflationary GDP Gap
  - 3. Consumer Confidence and its Role
- L. Fiscal Policy
  - 1. Taxes and Spending
  - 2. Fiscal Stimulus
  - 3. Fiscal Restraint
  - 4. Fiscal Guidelines
- M. Surpluses, Deficits, and Debt
  - 1. Budget Effects of Fiscal Policy
  - 2. Economic Effects of Deficits and Surpluses
  - 3. Debt Accumulation
  - 4. Ownership and Burden of Debt
  - 5. Deficits and Debt Limits
- N. Money and Banks
  - 1. What is "Money"?
  - 2. The Money Supply
  - 3. Creation of Money
  - 4. The Money Multiplier
  - 5. Banks and the Circular Flow
- O. The Federal Reserve System
  - 1. Structure of the Fed
  - 2. Monetary Tools
  - 3. Increasing the Money Supply
  - 4. Decreasing the Money Supply

- P. Monetary Policy
  - 1. The Money Market
  - 2. Interest Rates and Spending
  - 3. Policy Constraints
  - 4. The Monetarist Perspective
  - 5. The Concern for Content
  - 6. Which Lever to Pull?

**IV. INSTRUCTIONAL PROCEDURES**

- A. Lectures
- B. Class Discussion
- C. Online Quizzes
- D. In-class exercises
- E. Pre-test and Post-test

**V. RESPONSIBILITIES OF THE STUDENT:**

- A. Read assigned materials
- B. Complete assigned questions and problems in online quizzing program
- C. Participate in class discussions

**VI. EVALUATION**

- A. Grading components and scale

The various course assignments will count in the following percentages toward the final course grade:

Examinations (4)	80%	400 points
Quizzes in Connect	20%	100 points
		<b>→ 500</b>
		total points

Note: Assignments use the Connect online quizzing software, which comes with a new textbook or is to be purchased separately if student buys used textbook. Also, a “fail” grade on the pretest or the posttest results in a —10% course average deduction.

Grades will be based on the following scale:

<u>Percentages:</u>	<u>Grade:</u>	<u>Minimum Points Required:</u>
93-100	A	465
90-92	A-	450
87-89	B+	435
83-86	B	415
80-82	B-	400
77-79	C+	385
73-76	C	365
70-72	C-	350
67-69	D+	335
63-66	D	315
60-62	D-	300
Less than 60	F	-----

- B. Grade release policy  
 Grades will not be released to any person other than the student, nor will grades be released over any communication device. Furthermore, other than posting them to eCompanion, grades will not be shared with students except when assignments and exams are returned to the class. Thank you for understanding the professor's dilemma.
- C. Examinations 80%: Three examinations will be given during the semester, and a final exam at the end of the term, and these must be taken at the announced times. Examinations not taken at designated times will receive a score of 0 unless the student pre-notifies the instructor of the reason for absence and gets instructor approval for that miss. If student gets instructor pre-approval, the following policy is implemented: No make-up exam will be given; rather, the other exams will count extra to compensate. Any student missing two exams will be asked to drop the course or receive a 0 for one of those exams, regardless of the reasons for the misses. Again, if the student is unable to take the scheduled exam s/he must notify the instructor **prior** to the test date and get the instructor's approval.
- D. Online Quizzing 20%: Items included in consideration are quizzes and practices done in Connect as assigned.
- E. Pretest and Posttest: These are graded on a pass/fail basis, and "fail" results in a deduction of 10% in the course grade. This applies to both the pretest and posttest.

## VII. ATTENDANCE POLICY

Class attendance helps you learn the subject and do better in it. A student coming to class more than 10 minutes late or leaving more than 10 minutes early will be considered absent. Coming in after roll is called and before 10 minutes late counts as ½ absence, but since roll will already have been called, *you must check with me at the end of that class* to ensure you are not counted absent.

## VIII. OFFICE INFORMATION

- A. **Office Hours:** Mon/Wed/Fri:  
 9 am-10:15 am; 11:20 am-12 pm; 1:00-1:50 pm  
 TT by appointment.
- B. **Location:** Mitchell Hall, 200A (second floor).
- C. **Telephone:** Office: 330-471-8190 (leave voice mail if no answer)
- Email:** [jzietlow@malone.edu](mailto:jzietlow@malone.edu) and [jzietlow@aol.com](mailto:jzietlow@aol.com)
- Web pages:** Online Syllabus, Course Schedule, and Handouts:  
<http://www.johnzietlow.com> and click on  
 Macroeconomics; or, open  
<http://www.johnzietlow.com/MACROECON/macro.htm>

**IX. 504 STATEMENT:**

Malone University is committed to the provision of reasonable accommodations for students with disabilities, as defined in Section 504 of the Rehabilitation Act of 1973. If you believe you may qualify for these accommodations, notify your instructor immediately.

**X. ACADEMIC INTEGRITY:**

“As a Christian community of scholarship, we at Malone University are committed to the principles of truth and honesty in the academic endeavor. As faculty and students in this Christian community, we are called to present our academic work as an honest reflection of our abilities; we do not need to defraud members of the community by presenting others’ work as our own. Therefore, academic dishonesty is handled with serious consequences for two fundamental reasons: it is stealing – taking something that is not ours; it is also lying – pretending to be something it is not. In a Christian community, such pretense is not only unnecessary, but it is also harmful to the individual and community as a whole. Cheating should have no place at a campus where Christ is King because God desires us to be truthful with each other concerning our academic abilities. Only with a truthful presentation of our knowledge can there be an honest evaluation of our abilities. To such integrity, we as a Christian academic community are called. Any papers or projects may be turned into [www.turnitin.com](http://www.turnitin.com) for plagiarism checking.” (Source: *Lee University Academic Integrity Policy*)

“Inasmuch as electronic devices pose a serious risk to academic integrity, and because mobile phones are disruptive to the learning environment, the instructor reserves the right to control the use of all electronic devices in class (phones, pda’s, calculators, etc.). Students are not permitted to use mobile phones, pda’s or other devices for sending/receiving calls and/or text messages during class. Under no circumstances will students turn on electronic devices or keep them on during tests or quizzes. Students who send/receive text messages during an exam, engage in any kind of communications activity which threaten the integrity of the test environment, or photograph on electronic devices test materials or other materials the instructor deems inappropriate for copy are subject to failure in the course at the discretion of the instructor.” (Source: *Southwestern Assemblies of God University Policy*)