ECONOMICS 202
Principles of Global Macroeconomics
Course Outline

Dr. A. SAHU   **WINTER 2018**
445 Elliott Hall   **2086 HHB**

Class Hours: Wednesdays: 6:30 –9:50 PM

Office Hours: Wednesdays: 5:00 - 6:00 PM; and
                    By Informal Appointments

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Required Readings:

(1)   Baumol and Blinder, *Macroeconomics: Principles & Policy* (13th Edition), Cengage Learning.

(2)   *Wall Street Journal*, Dow Jones, Daily.

(3)   Study Guide to Accompany *Macroeconomics: Principles & Policy* (13th Edition), Cengage Learning.

Objectives of the Course:

This course is designed to introduce macroeconomic problems and policies to students who have *no background in Economics – the instructor will try hard to make the course feel real easy (and even fun!) if you are willing to do your part*. The primary emphasis is on understanding mainstream policies used to solve commonly faced macroeconomic problems such as inflation, unemployment, and recession.

Mainly a diagrammatic approach is used to explain the theories behind a macroeconomic policy. However, in order to consolidate the understanding of the underlying theories, current macroeconomic problems and associated policy responses are frequently discussed throughout the course. You are **required to read the** **_Wall Street Journal_** to strengthen the understanding of current macroeconomic problems and applications of macroeconomic theories. The Real world applications of macroeconomics will be further reinforced through video presentations. **The core of the course constitutes of:**

(a) Developing skills to track the health of the economy using key macroeconomic data,

(b) Understanding the historical background and theory of economic fluctuations, and

(c) Learning the importance of the use of macroeconomic policies to stabilize the economy.

In more general terms, you should be able to feel comfortable with the discussions of broader macroeconomic policies and problems in news media when you finish this course. Class participation and a sense of acquisitiveness are likely to enhance your faculty to understand these discussions more fully.

The detailed and more specific course objectives adopted for this course are provided as follows:

1. To recognize the breadth of issues and problems that economic analysis helps to answer.

2. To become familiar with the terminology of economics and to understand the basic   Methods and analytical tools which economists use to study economic problems.

3. To recognize key institutional and historical facts that characterize the U.S. and other principal economies.

4. To understand the following major economic concepts:

   a. Scarcity, tradeoffs, and the role of markets

   b. The U.S. financial system.

   c. Macroeconomic objectives and the use of fiscal and monetary policies to attain these objectives.

   d. Current controversies including tradeoffs between inflation and unemployment,   and supply-side economics.

   e. The international monetary system and the balance of payments.

5. To recognize how people use economics in their daily lives.

As the "global" adjective in its name suggests, this course has special emphasis on understanding global aspect of economics, and in particular, macroeconomics. The learning goals associated with global business environment are presented in the following box:

Undergraduate Global Business Environment

Learning Outcomes: Students can, within the context offered

1. Show *awareness* of a global issue relevant to business or the economy,

2. Demonstrate *understanding* of factors and/or forces associated with this issue.

3. Explain the *impact* of this issue on the business environment

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ECN 202 is also a GENERAL EDUCATION class. YOU CAN ONLY SELECT ONE GEN ED ATTRIBUTE:

ECN 202 is a general education class in the Social Science Area:

1. Knowledge of concepts, methods and theories designed to enhance understanding of human behavior and/or societies.

2. Application of concepts and theories to problems involving individuals, institutions, or nations

ECN 202 is a general education class in the Global Perspective Area:

1. Knowledge of the economies of one or more regions outside the United States and awareness of the transnational flow of goods, peoples, ideas and values.

2. Knowledge of the role that different cultural heritages, past and present, play in forming values in another part of the world, enabling the student to function within a more global context.

Course Requirements:

The course grade will be based on about 3 non-cumulative exams and written homework assignments. *The exams will also include questions from current issues and videotaped presentations.* The following weights will be utilized for the examination and homework portions:

The Examinations (3):	200-220 points
Assignments HWs & Weekly Reports:	50-75 points
Class Attendance:	10 of the Grade
Pre- and Post-Test	5% of the Grade
TOTAL:	**300-350 points**

The course grade for this class is based on both a relative (relative to others students in your class) and absolute (your own exam scores regardless of those by your classmates) performances.

The class average is NORMALLY anchored at 2.6. Assuming that the class average was 76%, **the grading scale utilized for the course grade is given as follows:**

A Score of 60%:	1.0
A Score of 70%:	2.0
A Score of 76%:	2.6
A Score of 80%:	3.0
A Score of 90%:	3.6

In order to illustrate the use of the above scale to determine your own grade, assume that you obtained 71%. Then, following the above scale, your grade will be 2.1. For Ds and Cs, the grade goes up by 0.1 for every increase in your TOTAL score by ONE percentage point. However, for Bs and As, your grade goes up by 0.1 for every increase in your total score by TWO percentage points. Thus, for example, a score of either 80% or 81% will be equivalent to 3.1. This is because of shorter ranges for Bs and As than Ds and Cs.

Extra-Credit: Extra-credit (of 8-10 points) will be awarded to students who attempt to answer questions CORRECTLY in the class). These points will simply be added to the total points based on the exams and homework assignments.

PLEASE, NOTE THAT almost all students who took all examinations, completed all assignments, and participated in half of the classes, passed the class with a minimal grade of 2.0 during previous semesters. Those who missed an exam or an assignment were more likely to fail (i.e., to receive 0.0 or D grade).

Tentative Schedule for the Semester:

Date	Topic
Lecture 1:	Introduction to the course
	Tracking the Economy, Policies & Financial Markets in the U.S. and the World
Lecture 2:	Reading the *Wall Street Journal*
	CHAPTER 01: What is economics?
Lecture 3:	CHAPTER 02: The Economy: Myth and Reality
Lecture 4:	CHAPTER 05: An Introduction to Macroeconomics
	International Comparison of Economies and Standard of Living

01-31-2018:   Mid-Term Exam #1

Lectures 5, 6:	CHAPTER 18: International Trade and Comparative Advantage
Lecture 7:	CHAPTER 06: Goals of Macroeconomic Policy
Lecture 8:	CHAPTER 08: Aggregate Demand and the Powerful Consumer
	Impact of Foreign Trade on the Economy: Who Loses & Who Gains
Lecture 9:	CHAPTER 09: Demand-Supply Equilibrium

03-14-2018:   Mid-Term Exam #2

Lecture 10:	CHAPTER 10: Bringing in the Supply-Side
	CHAPTER 20: Exchange Rates and the Economy
Lecture 11:	CHAPTER 11: Fiscal Policy
	CHAPTER 12: Money and the Banking System
Lecture 12:	CHAPTER 13: Monetary Policy
	United States and the World Economy
Lecture 13:	CHAPTER 19: The International Monetary System

04-25-2018:   Final Examination (6:30 PM)