

Course Syllabus for Economics 102: Principles of Macroeconomic: Location: Online

COURSE NAME	TERM/YEAR:
ECON: 102 (CE1)	Fall 2020
OFFICE HOURS:	
Online communication by e-mail	

CALENDAR DESCRIPTION:

Elements of the theory of macroeconomics and of Canadian institutions and policy concerning the cycles of business and economic growth, national income accounting, interest and exchange rates, money and banking, and the balance of trade.

COURSE DESCRIPTION:

Macroeconomics is the study of how a nation's economy works and how policy makers determine the best choices to improve the overall well-being of a country's economy. This course introduces the basic theories of macroeconomics and of Canadian institutions and policy concerning the business cycle, economic growth, gross domestic product, inflation, unemployment, interest rates, exchange rates, banking and the money supply. Specific attention is paid to the topical questions surrounding economic growth, fiscal and monetary policy interventions, international trade, globalization and financial markets.

Students interested in business, history, economic development, social justice and political science will find this course content of importance to their understanding of the interaction and mechanism of today's global economies. By studying macroeconomics and understanding the critical concepts used to assess economic data, students will have a stronger perspective on the issues and problems in our world economies. This course encourages students to think critically about the national and global issues in the forefront today and introduces the tools and principles required to develop their own ideas in an informed manner.

Course Pre-requisite(s): There are no co-requisites or pre-requisites but students who have taken the micro-principles course will have a slight advantage.

LEARNING OUTCOMES:

At the end of the term, students should be able to:

- understand the meaning and importance of macroeconomic variables such as national income, unemployment, inflation, interest rates, and trade flows
- explain what is aggregate demand and aggregate supply
- understand why households, businesses, governments and net exports determine the aggregate demand for goods and services
- understand the meaning of equilibrium national income and how the economy reaches equilibrium
- explain how government can use its fiscal and monetary policies to influence the level of national income and reduce inflations and recessions.
- explain and evaluate the economic challenges of unemployment, inflation, and low economic growth.
- discuss budget deficits and the public debt
- explain the current debates about international engagement
- understand factors that contribute to and detract from long-term economic growth
- explain the various situations in which a country may rationally choose to protect some industries, and
- explain the various factors that cause changes in the exchange rate

REQUIRED TEXTS & RESOURCES:

PRINCIPLES OF MACROECONOMICS, 8TH CANADIAN EDITION, N. GREGORY MANKIW, RONALD D. KNEEBONE AND KENNETH J. MCKENZIE, (2020). NELSON EDUCATION

Supplementary Resource:

Study Guide to Macroeconomics:

COURSE REQUIREMENTS:

See CCC calendar

GRADE DISTRIBUTION:

The grading schema for the course is as follows:

	GRADE %
Four Quizzes	40
Midterm Exam	25
Final Exam	35
TOTAL	100

COURSE POLICIES

It is the responsibility of every student to read and understand the College Policies. The College Policies on [Academic Honesty](#), [Academic and Exam Accommodations](#), [Grading Practices](#), [Student Conduct](#), [Technology Usage](#), and more can be found here: <http://corpuschristi.ca/about-us/academic-policies>

ASSIGNMENTS:

Quizzes, midterm exam and final exam

MISSED TESTS:

Missing a quiz or exam except for serious illness or other extraordinary circumstance will mean a zero mark for the missed quiz or exam. In case of serious illness a doctor's note is required within 48 hours. Contact me and send a copy of the doctor's note to me and to the Dean's office. Absolutely no exceptions to this rule.

GRADING SCALE:

LETTER GRADE	NUMERICAL EQUIVALENTS	GRADE POINT	GRASP OF SUBJECT MATTER	OTHER QUALITIES EXPECTED OF STUDENTS
A RANGE:		Excellent: Student shows original thinking, analytic and synthetic ability, critical evaluations, broad knowledge base.		
A+	90-100	4.33	Extraordinary	Strong evidence of original thought, of analytic and synthetic ability. Superior grasp of subject matter with sound and penetrating critical evaluations, which identify assumptions of those they study as well as their own; ; mastery of an extensive knowledge base.
A	85-89	4.0	Excellent	Clear evidence of original thinking, of analytic and synthetic ability; Strong grasp of subject matter with sound critical evaluations; evidence of broad knowledge base.
A-	80-84	3.67	Very, very good	Strong grasp of subject matter and sound critical assessments with appreciation for the larger context.
B RANGE:		Good: Student shows critical capacity and analytic ability, understanding of relevant issues, familiarity with the literature.		
B+	76-79	3.33	Very good	Good critical capacity and analytic ability; reasonable understanding of relevant issues; good evidence of familiarity with literature
B	72-75	3.0	Good	Solid critical capacity and analytic ability; reasonable understanding of relevant issues; good evidence of familiarity with literature.
B-	68-71	2.67	Satisfactory	Adequate critical capacity and analytic ability; reasonable understanding of relevant issues; evidence of familiarity with literature.
C RANGE		Acceptable to minimum.		
C+	64-67	2.33	Acceptable	Basic critical capacity and analytic ability; some understanding of relevant issues; some evidence of familiarity with literature.
C	60-63	2.0	Barely Acceptable	Acceptable in expression but deficient in analysis or in structure.
C-	55-59	1.67	Needs Improvement	Acceptable in expression but deficient in both analysis and in structure.
D	50-54	1.0	Minimum Pass	Addresses the topic but significant deficiencies in expression, analysis and structure.
FAILED				
F	0-49	0		Failure to meet the above criteria

COURSE SCHEDULE

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Week	Date(s)	Course Content	Readings For Each Class	Other Information
1	Sept. 14	Ten Principles of Economics Thinking Like an Economist Graphing: A brief overview	Chapter 1 Chapter 2 Appendix to Chapter 2	
1		Interdependence and the Gains from Trade	Chapter 3	
2	Sept. 21	Measuring a Nation's Income	Chapter 5	Quiz #1
2		Measuring the Cost of Living: review for midterm	Chapter 6	
3	Sept. 28	Saving, Investment, and the Financial System	Chapter 8	Midterm: ch. 1,2,3 and 5
3		Saving, Investment, and the Financial System (continued)	Chapter 8	
4	Oct. 5	Unemployment and Its Natural Rate	Chapter 9	Quiz #2
4		The Monetary System	Chapter 10	
5	Oct. 12	Money Growth and Inflation	Chapter 11	Quiz #3
6		Aggregate Demand and Aggregate Supply	Chapter 14	
6	Oct. 19	The Influence of Monetary and Fiscal Policy on Aggregate Demand	Chapter 15	
7	Oct. 26	Review for final exam		Quiz 4
8	Nov. 3	Final exam		

TIPS ON HOW TO STUDY FOR ECONOMICS

My suggestion is that students read the textbook and make notes. Compare your notes with the power point slides of the chapters of your textbook. If you do not understand key concepts e-mail me for help.

- Start each week by reading the assigned textbook chapter, and take notes from the chapter.

- Read the PowerPoint slide so you can genuinely follow and increase your understanding of the material.
- Try a few of the end of chapter problems
- If you have any questions about the material or end of chapter problems, e-mail me.

To prepare for the quizzes and exams:

- Reread the chapter summary from the text.
- Go over your notes and review the key concepts, principles, questions and terms for the chapter.
- Write study notes that outline the main concepts of the chapters including the diagrams.

Course Econ.102: Dr. Rocky Mirza:

Here is a

List of topics which we will cover in our classes. This list will help you know what to expect in each class and recall what has been covered in previous classes. Please keep it with your course syllabus

Week 1a: Introduction to economics: Chapters 1, 2 and Appendix:

Topics covered this week include:

1. Introduction to economics, scarcity and choice
2. Micro vs. macro economics
3. Factors of production
4. Production possibilities boundary
5. Unemployment, full employment and Economic growth
6. Economic systems
7. Circular flow model
8. Role of money in a specialized economy
9. Functions, slopes and graphs

Week 1b. International Trade: Chapter 3

Topics covered this week include:

1. Absolute advantage
2. Comparative advantage
3. Difference in opportunity costs
4. Terms of trade and sharing the gains from trade

Week 2a. National Income Accounting: Ch. 5

Topics covered this week include:

1. Aggregates and averages
2. Defining macro variables
3. Measuring macro variables
4. Expenditure Measure of GDP
5. Components of GDP
6. Income Measure of GDP
7. Real values
8. Price indexes
9. Real GDP and Per capita GDP
10. Problems with the GDP measure

Week 2b: Measuring Inflation: Ch. 6

Topics covered this week include:

1. The CPI: consumer price index
2. GDP deflator compared with CPI
3. Weights used to compute CPI: CPI's basket
4. Real and nominal interest rates

Week 3: Savings, Investment and Financial Markets: Ch. 8

Topics covered this week include:

1. Financial markets
2. Financial intermediaries
3. The difference between savings and investment
4. Supply and demand for loans
5. Budget deficits
6. The Public debt
7. Domestic versus foreign debt

Week 4a: Types of Unemployment: Ch. 9

Topics covered this week include:

1. Measuring the unemployment rate
2. Labour force participation
3. Four types of unemployment
4. Cyclical or demand-deficient unemployment
5. Seasonal unemployment
6. Technological and structural unemployment
7. Frictional or search unemployment
8. Employment insurance
9. Full employment and the natural rate of unemployment
10. Costs of unemployment
11. Provincial, age and sex variations in unemployment

12. Minimum wages
13. Unions and Collective bargaining

Week 4b: The Money Supply: Ch. 10

Topics covered this week include:

1. Money as a medium of exchange
2. Double coincidence of wants and the inefficiency of barter
3. Store of value and measure of value
4. Definitions of the money supply
5. Broad and narrow definitions
6. Credit cards and debit cards
7. The Bank of Canada
8. Canadian banks
9. Near banks
10. Canadian Payments association
11. Canada deposit insurance corporation
12. The goldsmith bankers and paper money
13. The origins of bank money
14. The overnight lending rate and target reserves
15. The creation of bank money
16. The money multiplier

Week 5: Theories of Inflation: Ch. 11

Topics covered this week include:

1. Classical Quantity theory
2. Supply and demand for money
3. The Fisher effect
4. Effects of inflation
5. Redistributive effects
6. Output effects
7. Canada's inflation target

Week 6a: Aggregate Demand and Aggregate Supply: Ch. 14

Topics covered this week include:

1. The Business cycle
2. Aggregate Demand and Aggregate Expenditure functions
3. Interest rate, real balance and foreign trade effects
4. Shifts in Aggregate Demand
5. Short-run Aggregate supply curve

6. Long-run Aggregate supply curve
7. Shifts in Aggregate supply
8. Equilibrium income, output, employment and price level
9. Demand shocks
10. Supply shocks
11. Comparing demand and supply shocks
12. Long-run equilibrium

Week 6b. Monetary and Fiscal Policy: Ch. 15

Topics covered this week include:

1. Liquidity preference theory
2. Changes in the money supply
3. Foreign trade effects
4. Discretionary fiscal policy vs. automatic stabilizers
5. Expansionary fiscal policy for recessionary gaps
6. Contractionary fiscal policy for inflationary gaps
7. Comparing government spending with taxes
8. Balanced budget changes
9. Built-in stabilizers
10. Discretionary and automatic deficits
11. Discretionary and automatic surpluses
12. Problems with fiscal policy
13. Large and growing deficits
14. Crowding-out effects
15. Recognition, administration and operational lags
16. Deficits and the public debt

Week 7: Review for final exam