

**DEPAUL UNIVERSITY**  
**DEPARTMENT OF ECONOMICS**  
**PRINCIPLE OF ECONOMICS, MACROECONOMICS 106**  
**FALL 2019 QUARTER**

**Instructor:** Dr. Irena Ziolkowska

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**Office:** 6225 DePaul Center

**Office hours:** Monday/Wednesday from 9:15 am – 9:50 am and Monday from 12:00 pm – 12:50 pm

**COURSE DESCRIPTION:**

This course provides introduction to the analysis of economic phenomena at the national level. We start with an overview of the fundamental concepts of market economics that are foundational for our study of the economy as a whole. We begin with the study of such a key economic aggregates as a country's gross domestic product, unemployment and inflation. How are these variables measured? What do they indicate about current and future state of the economy? After examining these measures, their strengths and weaknesses, we will look at basic models of economic growth and analyze the factors which determine the economy's long-run growth. In next part of the course business cycle and aggregate demand and aggregate supply analysis will be discussed. Aggregate demand and aggregate supply analysis provides a foundation for our examination of macroeconomic theory.

Next we study the monetary system of the United States, including the Federal Reserve System, money markets and fractional reserve banking. All this information gives us the tools to evaluate monetary policy and the impact of this policy action on money markets and the economy. Finally we look at international trade and trade agreements, foreign exchange markets, and the impact of government fiscal and monetary policy on trade balance and budget deficit.

This course will also devote regular attention to current economic events.

**TEACHING OBJETIVES:**

Your instructor will provide a classroom learning environment and community where students can work collaboratively to gain familiarity with the macro economy.

Learning opportunities will be offered to guide students in:

- <1>Describing key macroeconomic principles.
- <2>Preparing graphs to illustrate various economic conditions.
- <3>Utilizing monetary and fiscal policy.
- <4>Calculating measures of GDP; unemployment, inflation, and the money supply.
- <5>Evaluating economic variables.

**TEXTBOOK:** Macroeconomic. R. Glenn Hubbard/Patrick O'Brien. 6th Edition, Pearson Prentice Hall or the 6<sup>th</sup> edition. ISBN 10: 0-13-410622-9 or 13: 978-0-13-410622-9 The text should be considered as a reference to assist students in understanding concepts and procedures. .

**D2L:** The course syllabus, homework assignments, answers to homework, and your grades will be posted on D2L.

**EVALUATION (graded assignments):**

Exam 1	35 percent
Exam 2	35 percent
Quizzes	10 percent
Homework	20 percent

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**TOTAL** **100 percent**

**EVALUATION CRITERIA:**

100 – 95% = A    89 – 88% = B+    81 – 80% = B-    77 -72% = C    69 – 67% = D+    59% = F  
94 – 90% = A-    87 – 82% = B    79 – 78% = C+    71 – 70% = C-    66 – 60% = D

All grades will be posted on D2L.

**Notes on course, attendance and assignments**

**1. Attendance:** Learning is an interactive experience and your time in the class room is very valuable. This is difficult course and for many of you may be the most difficult and challenging course that you have taken up to this point in your academic career, and you should realize the importance of attending class. Class attendance is mandatory for all students and will be taken. You are fully responsible for signing in the attendance sheet. You can miss two classes during the semester. Beyond this point I will drop your final grade by half letter for each missed class. If you miss a class, it is your responsibility obtaining notes from your classmates. This means that I will not conduct a lecture during the office hours. Be aware that class participation points cannot be earned or made up if you are not present in class

**2. Class Conduct:** Absolutely no cell phones, text messaging or any other electronic device that is not needed for succeeding in the course. Please, note that leaving class during a lecture and coming back is highly disturbing to your fellow classmates. I will also request that you do not take any chitchatting, reading the newspaper, surfing the Internet, etc., Research on classroom learning found all these activities as distracting to you and your fellow classmates, as well as lowering the learning outcome.

**3. Lecture:** The method of instruction will be a lecture/problem solving/other approaches. Sometimes I will use power points slides but not always. I strongly encourage you to take notes during the class and use them while working with homework or preparing for the two exams. If you are attending class and having a problem with understanding the class material, make an appointment with me to better understand the material you struggle with.

**4. Class participation:** Questions and discussion are strongly encouraged throughout the course. While not explicitly graded, class participation will count positively at the margin.

**5. Homework:** Homework assignments will be posted on Desire2Learn after each Wednesday class and will be due on the following Wednesday at the beginning of the class. Only hard copy of homework will be accepted. Hand

written answers are acceptable. Homework submitted beyond the indicated time will be not accepted. So there is no late homework

Homework assignments will be a combination of short-answer questions, problems solving and graphing, and true false questions. Homework must be stapled otherwise will be not accepted. Answers to homework will be posted on D2L. Your job is to compare your answers to the answers posted on D2L. If, after reading the answers to homework, you still do not understand how to answers the questions, please, ask questions at the beginning of the next class or make an appointment with me. Homework is designed to help you in mastering the class material and prepare you for the two examinations.

**6. Exams:** There will be two exams; midterm and final exam; both are closed-book exams.

The two exams will be a combination of multiple choice questions, true/ false questions, short-answers questions and problems to solve. They will draw from required readings, homework and in-class assignments. Study guides for the two exams will be posted on Desire2Learn.

The final exam is not cumulative.

The two exams must be taken on the indicated dates.

If you cannot take the exams on the given date because of medical/work related emergency, you will be permitted to make-up the exam under the condition that you submit suitable documentation that substantiates the emergency

Attendance and class participation will be used a deciding factors for the borderline students. (Individual consideration may be given in a case of overwhelming circumstances).

**COURSE OUTLINE:** Schedule, Readings and Assignments)

(An updated Course Outline will be distributed periodically throughout the semester).\*\*

**Week # 1:** Introduction

Chapter 1: Economics: Foundations and Models

Chapter 2: Trade-offs, Comparative Advantage and the Market System

Homework # 1

**Week # 2:** Part 3: Macroeconomic Foundations and Long-Run Growth

Chapter 7: GDP: Measuring Total Production and Income

Homework # 2

**Week # 3:** Part 3: Macroeconomic Foundations and Long-Run Growth

Chapter 8: Measuring Economic Activity: Unemployment and Inflation

Chapter 8: Measuring Economic Activity: Unemployment and Inflation

Homework # 3

**Week # 4:** Part 3: Macroeconomic Foundations and Long-Run Growth

Chapter 9: Economic Growth, the Financial System and Business Cycle.

Homework # 4

**Week # 5:** Part 4: Short Run Fluctuations

Chapter 12: Aggregate Demand and Aggregate Supply.

MIDTERM EXAM: Monday, October 14th

**Week # 6:** Part 4: Short - Run Fluctuations  
Chapter 12: Aggregate Demand and Aggregate Supply.  
Midterm Exam Results  
Homework # 5

**Week # 7:** Part 5: Monetary and Fiscal Policy  
Chapter 13: Money, Banks and the Federal Reserve System  
Homework # 6

**Week # 8:** Part 5: Monetary and Fiscal Policy  
Chapter 14: Monetary Policy  
Chapter 15: Fiscal Policy  
Homework # 7

**Week # 9:** Part 5: Monetary and Fiscal Policy  
Chapter 15: Short-run Instability and Fiscal Policy.

**Week # 10:** Part 6: The International Economy.  
Chapter 17: Macroeconomics in Open Economy

**Week # 11:** FINAL EXAM: Wednesday, November 20<sup>th</sup> , 8:30am -10:45 am, classroom

\* Depending upon the preparation and an interest of students, some topics may take more time and others less time  
\* Please, note that the instructor reserves the right to modify this syllabus as needed. Any change to the course syllabus will be announced in class and posted on Desire2Learn