
Central Michigan University
College of Business Administration

MASTER COURSE SYLLABUS

<u>Eco 201</u> Design.No.	<u>Principles of Macroeconomics</u> Title	<u>3(3-0) F, Sp</u> Credit/Mode
------------------------------	--	------------------------------------

I. Bulletin Description

Provides basic understanding of scarcity, the price system, role of government, money and banking, monetary policy, economic growth, international trade.

II. Prerequisites: First-semester freshmen may be admitted with permission of instructor.

III. Rationale for Course Level: NA

IV. Textbooks and Other Material to be Furnished by the Student

Macroeconomics, Case and Fair, Third edition, 1993, Prentice Hall. or other comparable textbooks.

V. Special Requirements of the Course: None

VI. General Methodology Used in Conducting the Course: Lectures and class discussion.

VII. Course Objectives

This course is designed to introduce the students to the basic macroeconomic concepts and policy issues. Together with Economics 202, it would provide the students with the background knowledge appropriate for more advanced studies in economics and/or applications in other economics courses.

VIII. Course Outline

It always helps if we know what we are doing and why we are doing it. The following outline of the structure of the course would tell not only which topics are going to be studied, but also which type of questions each one of them is going to answer. This outline also suggests intervals for quizzes and tests which may vary with instructor.

1. Question to be asked: What is Economics? Definition and Categorization of Economics. Some basic concepts. Ch. 1.
2. Question to be asked: What is the crucial problem we should start with? Concept of Scarcity and some other new concepts. Ch. 2 & 3.

3. Question to be asked: What are mostly used terms in Economics and what do we need to know about them? Demand and Supply. Ch. 4&5.

FIRST QUIZ

4. Question to be asked: How do different parts of an aggregative system react with each other? The Circular Flow, Aggregate Demand and Aggregate Supply. Ch.

SECOND QUIZ

5. Question to be asked: If macroeconomics deals with 'aggregate' behavior, how do we measure total product and total income of an economy and how these two 'aggregate' items can be broken down in different parts? National Income Accounting. Ch. 7.

THIRD QUIZ

6. Question to be asked: What are the most pressing problems of our Economy? Inflation and Unemployment. Ch. 8.

FIRST CLASS HOUR EXAM

7. Question to be asked: Do the macroeconomic indicators such as National income, National Product and Employment stay at the same level or do they fluctuate? And if they fluctuate what are the reasons for that? Economic Fluctuation. Handout.

FOURTH QUIZ:

8. Question to be asked: How is the equilibrium level of national income maintaining full employment determined? The Keynesian view. The Keynesian Model of Income Determination. Ch. 9.

FIFTH QUIZ

9. Question to be asked: If there is a disequilibrium in the economy, how can it be corrected by using Fiscal policy? Fiscal Policy. Ch. 10.

SECOND CLASS HOUR EXAM

10. Question to be asked: If there is a disequilibrium in the economy, how can it be corrected by using monetary policy? Monetary Policy; Government and Federal Reserve System. A synopsis of Ch 11, 12 & 13.

11. Question to be asked: Is the budget deficit a serious problem? The Budget Deficit and Macroeconomic issues: Chapter 16.

REVIEW
FINAL

IX. Evaluation

Students' performance will be evaluated on the basis of the following:

- (1) Several quizzes over the semester: 25% of final grade
- (2) Two class hour examinations(50 minutes each): 40% of final grade.
- (3) Final Examination(comprehensive): 35% of final grade.
The procedure may vary with instructor.

X. Bibliography

McConnel & Brue, Macroeconomics, MacGraw-Hill, Inc., 1993

Lipsey, Steiner, Purvis and Courant. Macroeconomics. New York: Harper Collins, College Publishers, 1993.

Stockman, A. Introduction to Macroeconomics. The Dryden Press, 1995.

Stiglitz, T.E., Principles of Macroeconomics, Norton, 1995.

Ruffin, Roy. & Paul Gregory., Principles of Macroeconomics. Harper/ Collins, 1994.

Hyman David. Macroeconomics, Hyman, 1994.

Baumal, W.J. and A.S. Blinder., Macroeconomics: Principles and Policy, HBJ, 1994.

Miller, R.L. Economics Today, Harper & Row, 1994.

Ekelund, Jr. R.L. & R.D. Tollison, Macroeconomics, Harper/ Collins, 1994.

Mansfield, E. Principles of Macroeconomics, Norton, 1995.

Sharp, A.M, Register, C.A., & R.H. Leftwich, Economics of Social Issues, Irwin, 1994.

Economic Report of the President; transmitted to the Congress, Feb 1995.

Evensley, J. Economic Ideas and Issues: A Systematic Approach to Critical Thinking, Prentice

