

Semester at Sea, Course Syllabus
Colorado State University, Academic Partner

Voyage: Spring 2017

Discipline: Economics

Course Number and Title: ECON 204 Principles of Macroeconomics

Division: Lower

Faculty Name: Tisha Emerson

Semester Credit Hours: 3

Prerequisites:

Principles of Microeconomics and College Algebra or Calculus

COURSE DESCRIPTION

The principal focus of this course is on the behavior of entire economies – as opposed to the individual agents in the economy (consumers, households, and businesses) that were the focus of microeconomics. We will learn about the overall price level and inflation, unemployment, and economic growth. We will also study government policy – in particular fiscal and monetary policy – and will learn about federal budget deficits and debt. Students learn the elements of modern economic theory and how to apply them to understand the economic problems of the day and to evaluate the possible solutions. As a result, students will gain a better grasp of the many issues related to the recent U.S. financial crisis and the differing economic conditions around the world.

LEARNING OBJECTIVES

Upon completion of the course, students should:

- identify with the data and tools of macroeconomic policy;
- describe the costs and benefits of economy-wide phenomena such as inflation, unemployment, government debt;
- evaluate public policies in an informed and objective manner;
- recognize the institutional surroundings that impact macroeconomic phenomena;
- understand the determinants and consequences of certain economic crises and/or identify what determines a country's standards of living in the long run;
- have a greater understanding of the macroeconomic conditions around the world and how they compare to those in the US;
- develop their analytical, research and writing skills.

REQUIRED TEXTBOOKS

AUTHOR: William J. Baumol and Alan S. Blinder

TITLE: Macroeconomics: Principles and Policy

PUBLISHER: Cengage Learning

ISBN #: ISBN-10: 1305280601; ISBN-13: 9781305280601

DATE/EDITION: 2016, 13th Edition

TOPICAL OUTLINE OF COURSE

Depart Ensenada—January 5

A1—January 7: What is Economics?

Topic: Introduction to the course and Economics; review of syllabus

Reading: Chapter 1

A2— January 9: An Introduction to Macroeconomics I

Topic: Illustration of a Simple Macroeconomy – Employment and Prices

Activity: Macroeconomy Experiment

A3— January 11: An Introduction to Macroeconomics II

Topic: Gross Domestic Product

Reading: Chapter 5

Honolulu—January 12

A4—January 14: Macroeconomic Policy Goals

Topic: Policy Goals of Growth, Employment and Stable Prices

Reading: Chapter 6

A5—January 17: Inflation

Topic: Price Indices, Inflation, and Deflating Prices

Reading: Chapter 6 Appendix

Activity: Inflation Experiment

No class January 19

A6—January 20: Economic Growth I

Topic: Three Pillars of Productivity Growth

Reading: Chapter 7

A7—January 22: Economic Growth II

Topic: Growth Policy

Reading: Chapter 7

Assignment: Macroeconomic Indicator Assignment – due

Kobe – January 24 - 28

A8—January 29: Review

Shanghai – January 31 – February 5

A9—February 6: Midterm I (Chapters 1, 5-7)

A10—February 8: Aggregate Demand I

Topic: Aggregate Demand and Consumer Spending

Reading: Chapter 8

Activity: Aggregate Expenditure Experiment

Ho Chi Minh City – February 10-14

A11– February 15: Aggregate Demand II

Topic: Other Components of Aggregate Demand

Reading: Chapter 8

No Class - February 17

A12– February 18: Demand Side Equilibrium I

Topic: Demand-side Equilibrium and Changes in Demand

Reading: Chapter 9

Yangon – February 20-24

A13– February 25: Demand Side Equilibrium II

Topic: The Multiplier

Reading: Chapter 9

A14–February 27: Aggregate Supply and Equilibrium

Topic: Aggregate Supply, Inflation, and the Multiplier

Reading: Chapter 10

Cochin – March 1-6

A15– March 7: Unemployment and Inflation

Topic: Recessionary and Inflationary Gaps

Reading: Chapter 10

No Class – March 9

A16–March 10: Managing Aggregate Demand

Topic: Income Taxes and the Multiplier Revisited; Expansionary & Contractionary Fiscal Policy

Reading: Chapter 11

A17–March 13: Review

No Class – March 15

A18–March 16: Midterm II (Chapters 8-11)

A19–March 18: Money

Topic: The Nature of Money and How it is Measured

Reading: Chapter 12

Activity: Trading Experiment

Cape Town–March 19-24

A20—March 26: The Banking System

Topic: Banks and Money Creation

Reading: Chapter 12

A21—March 28: Monetary Policy

Topic: Banks and Money Creation

Reading: Chapter 13

Activity: Federal Funds Market Experiment

No Class – March 29

Tema – March 31-April 3

A22—April 4: The Financial Crisis and Great Recession

Topic: Understanding the Causes of the Great Recession

Reading: Chapter 14

Activity: Unemployment Compensation Experiment

A23—April 6: The International Monetary System

Topic: Exchange Rates and their Determination

Reading: Chapter 19

A24—April 8: Exchange Rates and the Macroeconomy

Topic: International Trade, Exchange Rates and Aggregate Demand

Reading: Chapter 20

Study Day – April 10

Casablanca – April 11-April 14

A25 Finals – April 15: Final Exam

Arrive Hamburg—April 19

FIELD WORK

Field Class proposals listed below are not finalized. Confirmed ports, dates, and times will be posted to the [Spring 2017 Courses and Field Class](#) page when available.

Field Class attendance is mandatory for all students enrolled in this course. Do not book individual travel plans or a Semester at Sea sponsored trip on the day of your field class. Field Classes constitute at least 20% of the contact hours for each course, and will be developed and led by the instructor.

FIELD CLASS AND ASSIGNMENT

FIELD CLASS

- Title: The Japanese Economy
- Port: Kobe, Japan
- Date: Tuesday, January 24, 2017
- Destination(s): Visit Bank of Japan (Japan's central bank), the US Consulate, Osaka Securities Exchange, and perhaps a research scholar at a local university
- Number of Projected Participants: class enrollment
- Duration (hours) of lab: 8 hours

In-Country Faculty/Contact(s): TBD

Academic Objectives:

- Students will learn about the current state of the Japanese economy and how it has changed over time. They will also learn about the work that the Bank of Japan does to manage the Japanese economy. This will allow them to draw comparisons between the Bank of Japan and the United States' Federal Reserve Bank.
- Students will meet with a representative at the US Consulate in Japan in order to get a US perspective on the state of the Japanese economy.
- Students will learn about the functioning of a securities exchange and about derivative products (which are the primary focus of the Osaka exchange) while visiting the Osaka Securities Exchange.

Field Class Description:

Visit the Bank of Japan (in Osaka), the US Consulate, Osaka Securities Exchange, and with researchers at a local university. Throughout the day students will have the opportunity to dialogue with experts and practitioners in order to gain a deeper understanding of the Japanese economy, the problems it has experienced over the last several decades, and forecasts for future growth.

FIELD ASSIGNMENTS

Students will learn about the Japanese economy, its challenges and forecasts for its future. After the field class, a subset of the issues observed will be identified and students will be asked to select one issue from the identified list, to describe the challenge and analyze the relevant issues. Field assignments are to be 3-5 pages in length and will be due by 5pm on Thursday, March 30.

INDEPENDENT FIELD ASSIGNMENTS

During the entirety of the voyage, students will collect information on local currencies and exchange rates. They will also compile information for a Purchasing Power Parity analysis for bottled water, a banana, and an item of the student's choosing.

Monetary and Exchange Rate Information: For each of the eight major ports (not including Honolulu and Mauritius), students will record the exchange rate between the local currency and the USD. They will also record the price of a bottle of water, a banana, and an item of the student's choosing (but this item must be the same across all ports). They should also take a photo graph of each item for which they record the price and of the local currency (for a total of four photos). This information will be used to compile a final report regarding exchange rates and purchasing power parity. After each port, students should electronically submit their information (exchange rate, prices, and photos) for that port by the start of the next class day post port. Each set of port information will be graded on a pass/fail basis.

Purchasing Power Parity Report: Students will use the information they have compiled to assess the purchasing power parity for bottled water, bananas, and the item of the student's choosing across the SAS itinerary. For each of the goods, students should indicate the extent to which their data is consistent with the purchasing power parity theory and where it is not, suggest explanations for deviations and/or implications such deviations may forecast about future movements in exchange rates. Purchasing power parity reports will be due by 5pm on Saturday, April 15.

METHODS OF EVALUATION / GRADING SCALE

Grades are based on two midterms, a final, daily quizzes, a macroeconomic indicator assignment, the field class assignment, and the independent field assignments. There are a total of 700 points possible throughout the semester distributed as follows: two midterms (100 points each for a total of 200), final (130), daily quizzes (10 points each, two lowest quiz dropped for a total of 170), a macroeconomic indicator assignment (50), field class assignment (60), and independent field assignments (90).

Daily Quizzes: There are a total of 19 daily quizzes each worth 10 points. The two lowest scores will be dropped so that the maximum quiz total is 170 points. Each quiz potentially contains a mix of true/false, multiple choice, and problem or short answer questions and will cover the material from the previous class period. Daily quizzes will be administered every class day with the following exceptions: the first day of class, the day of and the day immediately following a midterm, and the day of the final exam.

Macroeconomic Indicator Assignment: Students will compile data on macroeconomic indicators for a set of 10 countries over a 20 year period. Students will analyze their data and summarize their findings regarding changes and/or comparisons of the macro economy for the countries during the period of study. More details about the assignment will be provided in class.

Field Class Assignment: More information is provided in the Field Work section of the syllabus and additional description of the assignment will be provided in class.

Purchasing Power Parity Report: Students will use the information they have compiled over the course of our journey to assess the purchasing power parity for a select set of items. More information is provided in the Field Work section of the syllabus and additional description of

the assignment will be provided in class. Purchasing power parity reports will be due by 5pm on Saturday, April 15.

Exams: There will be two midterms and a cumulative final exam. Each exam will contain a mixture of multiple choice and short answer questions.

The following Grading Scale is utilized for student evaluation. Pass/Fail is not an option for Semester at Sea coursework. Note that C-, D+ and D- grades are also not assigned on Semester at Sea in accordance with the grading system at Colorado State University (the SAS partner institution).

Pluses and minuses are awarded as follows on a 100% scale:

<u>Excellent</u>	<u>Good</u>	<u>Satisfactory/Poor</u>	<u>Failing</u>
97-100%: A+	87-89%: B+	77-79%: C+	Less than 60%: F
94-96%: A	84-86%: B	70-76%: C	
90-93%: A-	80-83%: B-	60-69%: D	

ATTENDANCE/ENGAGEMENT IN THE ACADEMIC PROGRAM

Attendance in all Semester at Sea classes is mandatory, but it is at the instructor's discretion to assign a grade to the participation and attendance requirement. Remember to include information concerning the evaluation of Field Assignments and the Field Classes, which must constitute at least 20% of the total grade in a course.

Students must inform their instructors prior to any unanticipated absence and take the initiative to make up missed work in a timely fashion. Instructors must make reasonable efforts to enable students to make up work which must be accomplished under the instructor's supervision (e.g., examinations, laboratories). In the event of a conflict in regard to this policy, individuals may appeal using established CSU procedures.

LEARNING ACCOMMODATIONS

Semester at Sea provides academic accommodations for students with diagnosed learning disabilities, in accordance with ADA guidelines. Students who will need accommodations in a class, should contact ISE to discuss their individual needs. Any accommodation must be discussed in a timely manner prior to implementation. A memo from the student's home institution verifying the accommodations received on their home campus is required before any accommodation is provided on the ship. Students must submit this verification of accommodations pre-voyage as soon as possible, but no later than November 19, 2016 to academic@isevoyages.org.

STUDENT CONDUCT CODE

The foundation of a university is truth and knowledge, each of which relies in a fundamental manner upon academic integrity and is diminished significantly by academic misconduct. Academic integrity is conceptualized as doing and taking credit for one's own work. A pervasive attitude promoting academic integrity enhances the sense of community and adds

value to the educational process. All within the University are affected by the cooperative commitment to academic integrity. All Semester at Sea courses adhere to this Academic Integrity Policy and Student Conduct Code.

Depending on the nature of the assignment or exam, the faculty member may require a written declaration of the following honor pledge: "I have not given, received, or used any unauthorized assistance on this exam/assignment."

RESERVE BOOKS AND FILMS FOR THE LIBRARY

Films: A list of films to be shown the ship film loop is forthcoming.

AUTHOR: El-Erian, Mohamed A.

TITLE: The Only Game in Town: Central Banks, Instability, and Avoiding the Next Collapse

PUBLISHER: Random House

ISBN #: 978-0812997620

DATE/EDITION: January 26, 2016

AUTHOR: Deaton, Angus

TITLE: The Great Escape: Health, Wealth, and the Origins of Inequality

PUBLISHER: Princeton University Press

ISBN #: 978-0691165622

DATE/EDITION: Reprint edition; May 26, 2015

AUTHOR: Harford, Tim

TITLE: The Undercover Economist Strikes Back: How to Run—or Ruin—an Economy

PUBLISHER: Riverhead Books

ISBN #: 978-1594632914

DATE/EDITION: Reprint edition; January 6, 2015

AUTHOR: Bernake, Ben S.

TITLE: The Courage to Act: A Memoir of a Crisis and Its Aftermath

PUBLISHER: W. W. Norton & Company

ISBN #: 978-0393247213

DATE/EDITION: 1 edition; October 5, 2015

ADDITIONAL RESOURCES

It would be incredibly helpful for the students to have access to the data from the World Bank (<http://data.worldbank.org/>), Trading Economics (<http://www.tradingeconomics.com/>), CIA Factbook (<https://www.cia.gov/library/publications/the-world-factbook/>), United Nations database (<http://data.un.org/>), and the IMF (<http://www.imf.org/en/Data>). I'm not sure of the other sources, but the data from the World Bank is downloadable in its entirety. My students will need to have access to this data for their various course projects.