

SEMESTER AT SEA COURSE SYLLABUS
Colorado State University, Academic Partner

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| Voyage: | Spring 2018 |
| Discipline: | Economics |
| Course Number and Title: | Econ 204 – Principles of Macroeconomics |
| Division: | Lower |
| Faculty Name: | Dr. Mark Ellyne |
| Semester Credit Hours: | 3 |

PREREQUISITES:

One college algebra OR calculus course AND one introductory economics course

Per instructor: OR special permission from instructor

COURSE DESCRIPTION

This course introduces students to the basic concepts of macroeconomic theory—like national income, inflation, employment, the fiscal deficit, the balance of payment and the money supply—and how to apply them to understand current economic issues. The basic aggregate demand-supply model of the economy is introduced and used to explain the process of economic growth. The critical role of the interest rate, money and banks in the economic system is explained, and monetary and fiscal policies are explained to help students understand how the economy is managed. Students will be introduced to economic growth and the business cycle. They will learn about the balance of payments and how exchange rates and international financial flows impact the domestic economy. The course will review the global financial crisis of 2008 to understand its impact in the USA and globally. The course will take advantage SAS's global travels to apply the macroeconomic principles that are taught and specifically how to understand the role and theory of exchange rates.

LEARNING OBJECTIVES

Upon completion of the course, students should be able to:

- recognize the tools of macroeconomic policy and how they are applied;
- identify the determinants economic growth and a country's standard of living in the long run;
- describe the trade-offs involved in economic policies, notably for inflation, unemployment, government debt, interest rate changes and exchange rate movements;
- discuss fiscal and monetary policies in an informed and objective manner;
- describe the source of the sub-prime financial crisis and its consequences
- recognize the conditions and institutional surroundings that impact macroeconomic phenomena;
- have a greater understanding of the macroeconomic conditions around the world and the role of cross-border flows;
- improve 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 #: 10: 1305280601 or 13: 9781305280601978
DATE/EDITION: 2016, 13th Edition

TOPICAL OUTLINE OF COURSE

Depart Ensenada, Mexico – January 5

A1—January 7:

What is Economics and How Economists Think
Chapters 1, 3- Baumol

A2—January 9:

Introduction to Macroeconomics
Chapter 5 - Baumol

A3—January 11:

Background to the US Economy
Chapters 2, 5 - Baumol

Honolulu, Hawaii – January 12

A4—January 14:

Macroeconomic Policy Goals and Prices and Inflation
Chapter 6 - Baumol

January 16—International Date Line crossing (Lost Day)

A5—January 17:

Sources of Economic Growth
Chapter 7 - Baumol

No Class – January 19

A6—January 20:

Aggregate Demand and Consumer Spending
Chapter 8 - Baumol

A7—January 22:

Review
Chapters 1-3, 5-8 - Baumol

Kobe, Japan – January 24-28

A8—January 29:

Midterm Exam 1

Chapters 1-3, 5-8 - Baumol

Shanghai, China — January 31 - February 1

In-Transit — February 2-3

Hong Kong, SAR — February 4-5

A9—February 6:

Aggregate Demand Equilibrium

Chapter 9 - Baumol

Ho Chi Minh City, Vietnam — February 8-13

A10—February 14:

Aggregate Demand and the Multiplier

Chapter 9 - Baumol

No Class —February 16

A11—February 17:

Fiscal Policy and Managing Aggregate Demand

Chapter 10 - Baumol

Yangon, Myanmar — February 19-23

A12—February 24:

Fiscal Policy and Managing Aggregate Demand

Chapter 11 - Baumol

A13— February 26:

Money and Banking

Chapter 12 - Baumol

Cochin, India — February 28 - March 5

A14—March 6:

Monetary Policy

Chapter 13 - Baumol

No Class — March 7

A15—March 9:

Review

Chapters 9-13

Port Louis, Mauritius – March 11

A16–March 12:

Midterm Exam II
Chapters 9-13

A17–March 14:

Budget Deficits and Debt
Chapter 16 – Baumol

A18–March 16:

Global Financial Crisis
Chapter 14 – Baumol

Cape Town, South Africa – March 18-23

A19–March 24:

Debate Over Monetary and Fiscal Policy
Chapter 15 - Baumol

A20–March 26:

Debate Over Monetary and Fiscal Policy
Chapter 15 - Baumol

A21–March 28:

The Tradeoff Between Inflation and Unemployment
Chapter 17 - Baumol

March 30

Field Class Projects Due

Tema, Ghana – March 30 - April 1

Takoradi, Ghana – April 2-3

A22–April 4:

Exchange Rates: Role and determination
Chapter 19

A23–April 6:

History and Development of the International Monetary System#
Chapter 19 – Baumol

Study Day – April 8

PPP Projects due

A24— April 9:

Review

Chapters 14-17, 19

Casablanca, Morocco — April 11-14

A25—April 15: Final Exam

Arrive Bremerhaven, Germany — April 19

FIELD WORK

Semester at Sea field experiences allow for an unparalleled opportunity to compare, contrast, and synthesize the different cultures and countries encountered over the course of the voyage. In addition to the one field class, students will complete independent field assignments that span multiple countries.

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 are developed and led by the instructor.

Field Class & Assignment

The Field Class for this course will take place on *Friday, March 23, in Cape Town, South Africa.*

The Macroeconomics' Field Project will focus on understanding the economy of South Africa, which is a member of the BRICS and is a prototypical emerging market, middle income country economy. Such countries, despite their middle-income status, typically suffer from high levels of poverty, unemployment and inequality. This project will focus on understanding the challenges confronting middle-income countries in general and South Africa in particular.

Students will meet with a professor at the University of Cape Town to hear about poverty, inequality and unemployment conditions in the country. They will take a field excursion to a local township to observe life for the underclass and meet with a homegrown cooperative trying to create local employment.

Students summarize their experience in a paper of 3-5 pages, highlighting their view of the problems faced by middle income countries and identifying the unique problems of South Africa and how they are affecting its development.

Field Class Assignments will be due by 5pm on **Thursday, March 30**].

Independent Field Assignments

In addition to the Field Project, students will undertake an economic indicators project that span multiple countries. Students may work in groups of 3 if desired but must turn in an individual assignment.

The average GDP per capita is frequently used by economists and others to gauge the average level of development of a country. To help students understand and evaluate this measure, they will create an indicators table of various measures of GDP per capita for each country (including real and nominal US dollars and in purchasing power dollars). They will complete a photo study in each port, where 4-6 photos should try to capture their impressions of the standard of living in the country.

The photo project should contain a short written analysis as to whether student impressions of countries visited were consistent with the GDP per capita measures, and which measure of GDP per capita was most accurate, if any, at comparing the relative standards of living.

Projects will be due on April 8 and not include Morocco. They will be graded as Fair (65), Satisfactory (80), or Very Good (95).

EVALUATION and GRADING

Course Evaluation

There will be two mid-term exams and a final exam that represent about half of the course points (see below). To ensure that students follow the course continuously, there will be combination of either daily homework assignments or short quizzes (19 in total), of which the best 15 will be counted. The written Field Project is intended to teach students how to write about the economy, and the indicators projects provides experience working in a small team.

Student must attend all classes; although 1 absence will be tolerated.

| Course Evaluation | Points | Share |
|-------------------------|--------|--------|
| 2 Midterms @ 110 | 220 | 31.4% |
| Final exam | 140 | 20.0% |
| Homeworks: 8 x 10 pts | 80 | 11.4% |
| Quizzes: 7 x 10 pts | 70 | 10.0% |
| Indicator photo project | 50 | 7.1% |
| Field Project | 140 | 20.0% |
| Total | 700 | 100.0% |

Grading Scale

The grading scale below will be used, with numerical scores. 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). Students will receive a weighted average grade, based on the shares above.

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%: |
| 93-96%: A | 83-86%: B | 70-76%: C | |
| 90-92%: A- | 80-82%: B- | 60-69%: D | |

ATTENDANCE/ENGAGEMENT IN THE ACADEMIC PROGRAM

Attendance in all Semester at Sea classes, including the Field Class, is mandatory. Students must inform their instructors prior to any unanticipated absence and take the initiative to make up missed work in a timely fashion. Instructors will 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 regarding 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 letter from the student's home institution verifying the accommodations received on their home campus (dated within the last three years) is required before any accommodation is provided on the ship. Students must submit this verification of accommodations to academic@isevoyages.org as soon as possible, but no later than two months prior to the voyage.

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 must 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

AUTHOR: William J. Baumol and Alan S. Blinder
TITLE: Macroeconomics: Principles and Policy
PUBLISHER: Cengage Learning
ISBN #: 10: 1305280601 or 13: 9781305280601
DATE/EDITION: 2016, 13th Edition

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

DOCUMENTARY FILM: Inside Job
DIRECTOR: Charles H. Ferguson
DATE: 2010

FILM: Too Big To Fail (HBO movie)
DIRECTOR: Curtis Hanson
DATE: 2011

FILM: The Big Short
DIRECTOR: Adam McKay
DATE: 2015

DOCUMENTARY FILM: Money For Nothing: Inside the Federal Reserve
DIRECTOR: Jim Bruce
DATE: 2016

DOCUMENTARY FILM: I.O.U.S.A.
DIRECTOR: Patrick Creadon
DATE: 2008

DOCUMENTARY FILM: Capitalism A Love Story
DIRECTOR: Michael Moore
DATE: 2009

ADDITIONAL RESOURCES

Additional articles for class and background reading may be provided by the instructor on the ship's intranet.