

SEMESTER AT SEA COURSE SYLLABUS

Voyage: Spring 2013

ECON 2020: Principles of Economics: Macroeconomics

Division: Lower Division, introductory course

Faculty Name: Stan Ullerich

Pre-requisites: No formal academic prerequisites exist. But be reminded, this is a college course.

COURSE DESCRIPTION

A study of aggregate economic variables and economic activity, including gross domestic product, national income, unemployment, inflation and economic growth. The effects of fiscal policy (government spending and taxes) and monetary policy (money supply and interest rates) upon employment, growth, and prices are also examined. Open economy, trade impacts are included in the analysis.

TEXT: *Macroeconomics as a Second Language*, by Martha L Olney (Wiley), 2011. ISBN 9780470505380

COURSE OBJECTIVES

- a. To instill in students the concern for the efficient use or management of limited productive resources to achieve maximum satisfaction of human material wants.
- b. For students to develop an appreciation for the implications of decision making units, when acting collectively, to jointly determine the economic performance of a society.
- c. To better understand the micro foundations, as well as both valid and invalid assumptions under which public planners, policy discussants, governments, and monetary authorities make decisions.
- d. For students to grasp the fiscal policy and monetary policy strategies and impacts, and their usefulness in influencing economic well being.
- e. To foster a deeper understanding of private, public, mixed, closed and open economies, the role of trade therein and roles of both goods and financial flows in open economies.
- e. To distinguish between the normative and positive applications of economic thinking.

REQUIRED TEXTBOOK

AUTHORS: Martha L Olney

TITLE: *Macroeconomics as a Second Language*

PUBLISHER: Wiley

ISBN #: 9780470505380

DATE/EDITION: Printed in 2011.

TOPICAL OUTLINE OF COURSE

Class Meetings	Reading Assignments	Topical Problem Sets
1-2	Chapters 1, 2 and 16 (and p. 95)	Production Possibilities and tradeoffs, Opportunity Costs, Comparative Advantage, Terms of and gains from Trade
3-6	Chapter 3	Supply and Demand characterizations in goods and labor markets; income effects (among various goods); substitutes, complements, and modeling a market
7	Chapter 4	NIPA, measurement issues in and of GDP, inflation, unemployment and economic growth; business cycles
8-9	Chapter 5	Measuring and accounting for economic growth; productivity growth and factor productivity
10-12	Chapters 6, 7 and 8	Keynesian cross diagrams, algebraic, and equilibrium analysis; BBM, simple, complex and tax multipliers
13-14	Chapters 9 and 12	IS/LM caricatures; money market effects on interest rates
15-17	Chapters 10 and 11	Fiscal policy, taxation and spending effects on the economy; Income distribution via the markets, government's role in redistributing income and wealth via taxes
18-20	Chapters 13 and 14	Banks and other financial institutions; quantity theory of money/equation of exchange
21-23	Chapters 14 and 15	AS/AD modeling under rational and adaptive expectations; neutrality of money; feedback effects
24	none	FINAL EXAMINATION

Nine (9) homework assignments will accompany the class meeting delineations above. In-class (unannounced) quizzes will be used regularly, along with the homework/problem sets, to encourage outside class reading, thinking and course-related performance. The best eight (of 9) homework scores and best eight (of 9) quiz scores of each student will constitute 50% of each student's grade for the term. The field experience and final examination will comprise the other 50% of student's graded work in the course.

FIELD WORK

Field Lab: March 18 in Mauritius. Attendance is mandatory.

With its stable rule of law, well defined and enforced property rights, and unicameral legislature, Mauritius is among the world's most developed nations, with its economic freedom ranked 8th worldwide, highest among African nations. Visits among its Judicial Department and Supreme Court, the Ministry of Finance & Economic Development, and Mauritius Travel and Promotion Authority (MTPA), students will see the role that fair courts, sound currency, and private property have in advancing human well-being. The conversion of this distant plantation to an integrated business and tourism hub reflects the resident's ambition and recognition to trust markets to allocate resources. This focused tour of Port Louis is in Africa's richest nation (as measured by per capita GDP).

METHODS OF EVALUATION / GRADING RUBRIC

Competitive grading of the student's eight best quizzes and homework problems, field assignment exercises, and final examination will be applied. At least 50% of offered points must be accumulated to pass the course.

RESERVE LIBRARY LIST

None needed at this time.

ELECTRONIC COURSE MATERIALS

Articles, book excerpts, research bulletins, and other materials will be circulated electronically to course enrollees as needed.

ADDITIONAL RESOURCES

A hand-held calculator and access to a microcomputer with spreadsheet applications software.

HONOR CODE

Semester at Sea students enroll in an academic program administered by the University of Virginia, and thus bind themselves to the University's honor code. The code prohibits all acts of lying, cheating, and stealing. Please consult the Voyager's Handbook for further explanation of what constitutes an honor offense.

Each written assignment for this course must be pledged by the student as follows: "On my honor as a student, I pledge that I have neither given nor received aid on this assignment." The pledge must be signed, or, in the case of an electronic file, signed "[signed]."

Academic Rigor: This phrase refers to the consistent expectation of, aspiration to, and support for excellence and significant achievement in a formal learning environment. It pertains to (and also bears responsibilities for) both faculty and students, and is *the* single most significant impetus behind any high quality educational experience. It is the responsibility of all faculty members (myself included) to provide students with significant academic and other developmental challenges, along with sufficient support to meet those challenges, in order to create an environment in which students internalize and embrace the aspects and outgrowths of an academically rigorous educational environment. It is the responsibility of all enrolled students

(yourself included) to fully embrace and take advantage of these opportunities to approach and operationalize their collegiate experiences within an academically rigorous educational environment. Doing so will further enable them to be lifelong learners, to thrive in a global marketplace, and to lead rich and meaningful lives.

To this end, I have initiated and will provide a rigorous learning experience by:

- Designing a syllabus, a curriculum, class activities, and learning opportunities that are modern, internally consistent, and focused on preparing graduates for success.
- Establishing high standards and expectations, communicating them effectively, and demonstrating them through challenging coursework and well-prepared and well-executed classes.
- Fully involving students in the learning experience by encouraging thoughtful discussion, collaboration, and active learning, as appropriate.
- Providing opportunities for student-faculty interaction in and out of class and encouraging students to take advantage of these occasions.
- Employing strategies that acknowledge diverse methods of learning and that expand student capabilities across various learning styles, while maintaining consistently high expectations for achievement.
- Making it clear that successful full-time study requires full-time work, and designing substantive and appropriate learning experiences that require that level of effort.

And your part? An academically rigorous education requires an **attitude** and **lifestyle** conducive to achieving excellence. Students fully realize the benefits of academic rigor by:

- Accepting complete and ongoing responsibility for learning and for grades earned.
- Coming to every class sufficiently prepared to participate and learn, approaching assignments with the goal of learning the material, and using technology in a manner consistent with achieving the course learning objectives.
- Conducting themselves honorably and treating professors, classmates, and the classroom environment with complete and total respect.
- Taking advantage of all opportunities to learn, including interaction with faculty and with other students both in and out of class, as appropriate.
- Maintaining an open mind and willingness to master new learning styles when encountering diverse teaching and learning methodologies.
- Approaching each class in a professional manner, treating full-time study as the equivalent of full-time employment, and determining exactly what is expected and required in each class... and then doing it.