The objective is to introduce students to the fundamentals of macroeconomics and to demonstrate the importance of macroeconomic reasoning for understanding current economic issues.

Macroeconomics studies the economy as a whole. Unlike microeconomics, which takes the viewpoint of the individual person, household, firm, and industry, macroeconomics is concerned with the total level of output, investment and employment; business cycles; and overall growth of the economy. Some issues addressed by macroeconomics are: recessions; unemployment; financial crisis; inflation, and deflation. The main macroeconomic policies are: fiscal (dealing with government expenditures and taxation) and monetary policy (pertaining to buying and selling bonds; interest rate; and the reserve requirements that banks have to hold); and international financial policy (dealing with exchange rates).

Macroeconomic policies and macroeconomic issues affect individuals. Individual decisions - such as firms’ decisions to purchase equipment and to hire, as well as households’ expenditures - also affect macroeconomic conditions. It is important to understand that while micro- and macro-economic phenomena are related, they are conceptually different issues. An important insight that we will reiterate throughout the course is that what is true for the individual is not always true for the economy as a whole.

In order to have an understanding of the subject, you need to study all the topics
consistently. Along with the assigned chapters, I will provide you with handouts. These are very important as they either introduce you to assigned topics not included in the textbook, or make topics already covered more accessible to you. Also, it will be helpful if you follow news about the current economy. Your ability to understand and evaluate current issues and the way they are presented in the media will grow with your advancement in the course.

**MODE OF INSTRUCTION:** Lecture/discussion

**WebCT**

Course material will be posted on WebCt. You can access WebCt through WINGS. You will need your campus ID name and password. Once you are logged in, click on the Academics tab. For additional help, please contact the Help Desk at 775-4827.

**ATTENDANCE AND PARTICIPATION**

Attendance is crucial for your success in this course. In class I will emphasize which sections of the assigned chapters are particularly important in preparation for your exams. Not every single piece of information in the textbook will be important for your studies in this course. Attending class will help you differentiate among the large amount of material in your textbook and to manage your time more effectively. Also, missing a class means missing participation and lecture material which are important in assessment. I may call on individuals during our discussions. In addition to discussion, participation includes your behavior in class and your attitude towards the course work.

**Note:**

Sept. 25, M is the last day to drop this class without a grade.
Oct. 23, M is the last day to drop the class with a grade of W.

**GRADING**

Class Requirements:

- Exam I 20%
- Exam II 30%
- Homework 10%
- Participation 10%
- Final Exam 30%

Grading Scale

- A 90-100%
- B 80-89%
- C 70-79%
- D 60-69%
- F <60%
Note: There will be no make-up exams.

**HOMEWORK**
While you can talk with each other about your homework assignment, you must do your homework individually and submit work that represents your individual effort.

Late homework will not be accepted, except when you are subject to extreme and documented reasons. Note that your score for late homework will be devalued by 50%.

**SPECIAL ACCOMMODATIONS**
If you need special accommodations for the fulfillment of class requirements, contact the Office of Disability Services, and please let me know as soon as possible.

Office of Disability Services  
E-mail: disability_services@wright.edu  
Open Monday - Friday 8:30 a.m. - 5 p.m.  
E186 Student Union  
Wright State University  
3640 Colonel Glenn Hwy.  
Dayton, OH 45435-0001  
Telephone: (937) 775-5680  
Fax: (937) 775-5795, TTY: (937) 775-5844

**CLASS SCHEDULE**

Week 1:  
T Sept. 5 - Introduction. What is Economics? What is Macroeconomics? (xi – xiv; Handout)  
R Sept. 7 –Economic Systems; Production Possibility Frontier (ch. 1 and 3)

Week 2:  
T Sept. 12 - National Income Accounting (ch. 7)  
R Sept. 14 - Growth, Business Cycles; Inflation; Unemployment (ch. 6, Handout)

Week 3:  
T Sept. 19 – Introduction to Supply and Demand (if necessary you need to review, on your own and prior to this session Appendix A in ch. 2 – The Language of Graphs.  
R Sept. 21 - **Exam 1, R Sept. 21**

Week 4:  
T Sept. 26 - Supply and Demand (Ch. 4)  
R Sept. 28 – Using Supply and Demand – Labor Market and Loanable Funds (ch. 5 and Handout)

Week 5:  
T Oct. 3 – Multiplier and Paradox of Thrift (ch. 10 and Handout)
R Oct. 5 – Multiplier (continued); Keynesian Fiscal Expansionary Policy (Handout)

Week 6:
T Oct. 10 – Aggregate Demand and Supply (Ch. 9)
R Oct. 12 – Neoclassical-Keynesian Synthesis Approach to Unemployment-Inflation Trade-off, Short Run and Long Run Aggregate Supply Curve (still ch. 9)

Week 7:
T Oct. 17 – Exam 2
R Oct. 19 – Money and Banking (ch. 11)

Week 8:
T Oct. 24 – Monetary Policy (ch. 12; Handout; ch. 14: p. 373 – 375)
R Oct. 26 – Financial Instability (Handout)

Week 9:
T Oct. 31 - Government Deficits and Debt (ch. 15 and Handout)
R Nov. 2 – Macro Policies in Developing Countries and International Macroeconomics (ch. 16, ch 18)

Week 10: T Nov. 7; R Nov. 9 – Summary

**Final Exam Date:** Thursday, Nov. 16, 10:45 – 12:45

**Note:** We may need to diverge from the topics schedule depending on the pace of the class.

**ACADEMIC DISHONESTY**
The university policy on academic dishonesty can be found in the student handbook which is available on the WSU website and provides information on how to avoid academic dishonesty. Academic dishonesty will be prosecuted in accordance with university guidelines. The general understanding is that you are here to learn, and to succeed through learning. A “success” based on cheating is not a true academic success but a make-belief.

**ENGLISH LANGUAGE SUPPORT**
Contact: Dr. Chris Hall, Director of English as a Second Language Programs (ESL), 465 Millett Hall; 775-2268; chris.hall@wright.edu

*Have a Nice and Productive Quarter,*

*And Welcome to the Fascinating World of Macroeconomics!*