

**COURSE SYLLABUS
SOUTHEAST MISSOURI STATE UNIVERSITY**

Department: Economics and Finance
Course Title: Principles of Macroeconomics

Course No EC225
Revision Spring 2010

I. Catalog Description and Credit Hours of Course

Economic concepts, institutions, theories and policies including study of national income, inflation unemployment, banking system, money, growth, and international economics. (3 credit hours)

II. Prerequisite(s)

MA134 College Algebra; and
EC215 Principles of Microeconomics or AG245 Agricultural Economics

III. Purposes or Objectives of the Course

- A. To understand society's basic macroeconomic problems: concepts, terminology, classification, trends. *BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics. Use business-related terms, concepts, theories, and principles appropriately.*
- B. To survey the theories and principles designed to analyze these problems. *BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics. Use business-related terms, concepts, theories, and principles appropriately.*
- C. To understand the alternative policies to deal with these problems. *BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics. Use business-related terms, concepts, theories, and principles appropriately.*
- D. To learn to apply the course material to reason analytically and objectively concerning economic issues. *BSBA Goal: Application of critical thinking skills to business problems and ethical dilemmas. Use critical thinking to reach decisions by: identifying the problem/issue(s), presenting plausible alternatives, evaluating the alternatives.*
BSBA Goal: Effective use of technology. Use technology-related terms, concepts, and processes appropriately. Use the Internet, spreadsheet, database, word processing, statistical, and presentation software effectively.
- E. To emphasize the importance of economics in business decision-making and daily life.
- F. To develop communication skills in economics. *BSBA Goal: Proficiency in oral/written communication. Write business documents with clear focus, development, organization, and mechanical correctness. Listen satisfactorily and recall work-related information.*

IV. Expectations of Students

- A. Regular participation in discussions, including bulletin board discussions.
- B. Familiarity with assigned readings.
- C. Satisfactory completion of homework assignments, quizzes, and other assignments.
- D. Satisfactory performance on exams.

V. Course Outline

Class Periods

I. Introduction	
A. Review: the Nature of Economics	2
1. Macroeconomics vs. Microeconomics	
2. Positive vs. Normative Economics	
B. Review: the Supply and Demand Model	2
C. Global Economics	3
1. Exchange Rate Determination: the Supply and Demand Model	
D. The Public Sector	3
1. The Role of Government	
2. Taxes, Transfers, and Public Spending	
II. Measuring Macroeconomic Performance	
A. Unemployment, Inflation and Deflation	3
1. Measuring Unemployment	
2. Measuring Inflation and Deflation	
3. Business Fluctuations	
B. Aggregate Output	4
1. National Income Accounting: GDP	
2. Nominal vs. Real GDP	
C. Global Economic Growth	3
III. Real GDP Determination	
A. The Long Run	4
1. Long Run AS-AD Model	
B. The Short Run	5
1. The Classical Model	
2. The Keynesian Model	
3. Short Run AS-AD Model	
C. The Keynesian Model and the Spending Multiplier	1
1. Spending Multiplier and Changes in AD	
2. Multiplier Effect When the Price Level Can Change	
IV. Fiscal and Monetary Policy	
A. Fiscal Policy	5
1. Discretionary Fiscal Policy	
2. Automatic Fiscal Policy	
3. Deficit Spending and the National Debt	
B. Money, Banking, and the Central Bank	4
1. Financial Intermediation and Banks	
2. The Federal Reserve System	
C. Monetary Policy	4
1. Money Supply-Money Demand Model	
2. Transmission of Monetary Policy in an Open Economy	
D. Stabilization in an Integrated World Economy	2

VI. Textbook(s) and/or Other Required Materials or Equipment

Economics Today: The Macro View (15/e), Roger LeRoy Miller, Pearson Addison Wesley, 2010

VII. Basis of Student Evaluation

The student's grade will be based on his or her performance on exams, including the regularly scheduled final. There will be a minimum of three exams. Some combination

of homework assignments, quizzes, and written assignments may enter into the evaluation process as well.

Grading Scale:

A	90% and above
B	80-89%
C	70-79%
D	60-69%
F	59% and below