ECO 203: Macroeconomics and Literacy

Instructor: Dr. Joe Watkins
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Credits: 3

Foundational Area of Knowledge:
ECO 203 Macroeconomics and Literacy fulfills the requirement for a Foundational Area of Knowledge in Community and Identity. Courses that fulfill this area enable students to gain a greater understanding of themselves and the communities in which they live and work, and how identity is formed through the interaction of the individual and larger society.

Learning Outcomes - Students will work to:
- explore dimensions of human experience with regard to perceptions of self
- understand how individuals interact to form communities and social structures
- analyze the practical and ethical implications of interactions between individuals and those social structures

The content of ECO 203 addresses all three of these learning outcomes with greatest emphasis on outcomes 2 and 3.

Intended Audience: Students completing an undergraduate degree

Economics 203 - Macroeconomics and Literacy
Doane College - College Park Grand Island

Required Text and Readings:
   Students who plan to take both macroeconomics and microeconomics may wish to purchase Principles of Economics by N. Gregory Mankiw ISBN13 978-1-285-16587-5
   Previous editions of the book can also be used as well as electronic versions and/or rented books. The instructor has some previous editions of the book that he can loan out on a “first come first served” basis. Using the previous editions will not put the student at any disadvantage.
   Contact the instructor if the cost of the book is prohibitive.
2. Additional articles/resources will be handed out in class
Course Description

Welcome to Economics 203, a study of macroeconomics. In this course students study foundation concepts in economics, various measurements of economic variables, policy options including classical viewpoints, monetary policy and fiscal policy as well as the basics of international trade. In addition, the course includes an examination of current economic issues which are frequently in the news and which continually influence economic decision making on the part of individuals, businesses and governments.

Course Outcomes:

As a result of their participation in this course students will:

1. Know basic foundation concepts necessary to analyze events and data from an economic perspective.
2. Understand the economic argument for free trade as based on comparative advantage.
3. Understand how the forces of supply and demand determine price and quantity and allocate goods and services as well as resources.
4. Be able to use the concept of elasticity to analyze economic decisions.
5. Know the effect of price ceilings and price floors on economic efficiency and be able to analyze the effect of taxes on market outcomes.
6. Know how to measure economic output.
7. Know how to calculate the overall level of prices and understand the importance of price stability.
8. Understand the role of banks and how monetary policy is used by the Federal Reserve to achieve selected economic goals.
9. Understand fiscal policy as a policy option to achieve selected economic goals.
10. Describe the relationship between national saving, government deficits and investment.
11. Understand the forces which lead to greater economic productivity.
12. Know how the employment/unemployment statistics are determined.

Reading, writing and exam schedule:

Session # 1
Date: ______________

Chapter 1--Ten Principles of Economics and Chapter 2--Thinking like an Economist will be covered in class. If possible, please read those chapters before the first session.

Class activities: PowerPoint slides and study guides

Discussion topics: (1) How to think like an economist!
(2) Why is economics called the “dismal science
Session # 2
Date: _______________

Chapter 3--Interdependence and the Gains from Trade and Chapter 4--The Market Forces of Supply & Demand will be covered in class. If possible please read those chapters prior to the beginning of class.

Class activities:  PowerPoint slides and study guides

Video:  Ted Koppel and the People’s Republic of Capitalism

Discussion topic:  (1) Free Trade-Winners, losers and policy options
(2) The power of markets

Submit:  Using economic reasoning assignment
These assignments will involve short writings and/or problems related to current economic issues.

Session # 3
Date: _______________

An exam on chapters 1, 2, 3 and 4 will be given. The exam will include both objective and essay questions.

Chapter 5 – Elasticity and Its Application and Chapter 6 -- Supply, Demand and Government policies will be covered in class. If possible please read those chapters prior to the beginning of class.

Class activities:  PowerPoint slides and study guides

Discussion topics:  (1) Elasticity and its many applications
(2) Market distortions from mandated prices

Submit:  Using economic reasoning assignment
Session # 4
Date: _______________

Chapter 10 (23)--Measuring a Nation’s Income and Chapter 11(24)--Measuring the Cost of living will be covered in class. If possible please read those chapters prior to the beginning of class.

Class activities: PowerPoint slides and study guides

Discussion topic: (1) what does GDP really tell us?  
(2) How is wealth distributed in American?

Submit: Using economic reasoning assignment

Session # 5
Date: _______________

**** The formal paper will be assigned. The paper will be an analysis of an article provided by the instructor. The paper should be approximately 500 words in length. The first part of the paper should be a summary of the paper’s content while the second part should be a critique of the main ideas in the paper. You should state whether you agree or disagree with the author’s work and conclusions using the tools of economic analysis being learned in class. The paper will be due the 7th session of the class. Students should be prepared to orally defend their writing in class.

An exam on chapters 5, 6, 10(23) and 11(24) will be given. The exam will include both objective and essay questions.

Chapter 13(26)--Saving, Investment and the Financial System and Chapter 15 (28)--Unemployment and Its Natural Rate will be covered in class. If possible please read those chapters prior to the beginning of class.

Class activities: PowerPoint slides and study guides

Discussion topics: (1) Do government deficits and debt matter?  
(2) Is unemployment overstated or understated?

Submit: Using economic reasoning assignment
Session # 6
Date: ______________

Chapter 16 (29) -- The Monetary System chapter 16 (29) will be covered. Please read the chapter prior to the beginning of class.

Class activities: PowerPoint slides and study guides

Discussion topics: (1) The importance of a stable money system
(2) The importance of a stable banking system
(3) Monetary policy—its strengths and limitations
(4) Inflation-winners, losers and actual costs

Submit: Using economic reasoning assignment

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Session # 7
Date: ______________
Submit and be prepared to orally defend your paper.

An exam on chapters 13(26), 15(28) and 16(29) will be given. The exam will include both objective and essay questions.

Chapter 20(33) Aggregate Demand and Aggregate Supply as well as Chapter 21 (34) -- The Influence of Monetary and Fiscal Policy on Aggregate Demand will be covered in class. If possible please read those chapters prior to the beginning of class.

Class activities: PowerPoint slides and study guides

Discussion topics: (1) What causes the business cycle?
(2) How should government and/or the “Fed” respond to recession/inflation?
(3) What is fiscal policy? Has it been successful? Can it be successful in our modern time?

Submit: Using economic reasoning assignment
Complete any unfinished topics and/or activities. A discussion of alternative macroeconomic policies as related to the achievement of the goals of full employment, economic growth and price stability will be conducted. At this point in the course students should be able to propose and defend economic policies.

An exam on chapters 20(33) and 21(34) will be given. The exam will include both objective and essay questions.

Discussion topics: (1) Was Keynes right or wrong?

Submit: Using economic reasoning assignment

Course Policies:

1. Evaluation – Four exams will be given. Students will write a formal paper in which they will use economic concepts to analyze a current issue. Students will submit “economic reasoning assignments”. A grade will be given for completion of classroom work and activities to include “economic reasoning’s assignments”. The final grade will be the average of the four exam scores, the paper grade and the classwork/participation grade. A student who does not complete each of the above listed requirements will be given an incomplete. An incomplete becomes a failing grade as per the time line determined by Doane College.

2. Attendance – This course will cover extensive content in only eight sessions over eight weeks. Attendance at all sessions is extremely important. Any student who anticipates missing more than two sessions should not enroll in this course. A student may miss one session with no penalty, but they are responsible for all work covered in that session. A student who misses two sessions or more sessions must confer with the instructor to arrange learning alternatives and/or be subject to having their grade lowered or not receiving credit. Please discuss any attendance issues with the instructor.

3. Planning for success – Many students find economics difficult, particularly when studied in an eight week format which requires an exposure to a multiple complex topics in a short period of time. Please allow enough time to read and study each week. As you encounter questions please record them and present them in class. Other students are probably struggling with the same questions. The instructor will meet with students before class, after class or by appointment to provide extra help. Please ask!!

4. Grading:
   - 100-90 = A
   - 89-80 = B
   - 79-70 = C
69-60 = D
<60 = F

5. Academic Integrity Policy – The Doane College Academic Integrity Policy will be adhered to in this class. All tests and papers must represent your own work. Any use of other people's ideas and words without proper citation of sources is plagiarism and will result in penalties to be determined by the instructor and Doane College officials.

6. To succeed in this course students must be able to read and comprehend college level economics material, use basic mathematical concepts, take good notes, communicate effectively on essay exams as well as on formal papers and apply economic reasoning.