



EAST TENNESSEE STATE
UNIVERSITY

College of Business and Technology

Department of Economics and Finance

ECON 2210
Principles of Macroeconomics

This course is part of the Core Curriculum of the Social and Behavioral Science Requirement of the University's General Education Program, and the Business Core Requirements of the College of Business and Technology.

Office Hours: By appointment via Zoom.

Textbook

"Macroeconomics by Hubbard and O'Brien", 5TH or 6TH EDITION. The current edition is the 7th, you can buy an older used edition to save money. **DO NOT BUY AN ACCESS CODE**, we will not be using it.

The Powerpoints are posted on D2L—Print them out for class.

Course Description

An introduction to macroeconomic analysis which concentrates on economy-wide systematic issues such as inflation, unemployment, and the level of economic activity.

Learning Objectives

Upon completion of the course, you should be able to

- (1) Demonstrate knowledge of the basic principles of economics, including the problem of scarcity, the significance of opportunity costs, and the difference between normative and positive economics.
- (2) Use supply-demand analysis to demonstrate the effect of various events on price and quantity traded in product, factor, and financial markets.
- (3) Monitor the functioning of the macro-economy using business indicators such as gross domestic product, employment, unemployment, and the inflation rate.
- (4) Describe the functioning of the long run real economy, including factors that determine full employment, savings, investment, economic growth, and higher standards of living.
- (5) Describe the structure and functioning of the financial system, including how banks create money, the operation of the Federal Reserve System, and how the Federal Reserve conducts monetary policy.
- (6) Use a basic aggregate supply - aggregate demand model to explain economic fluctuations (the business cycle) and describe appropriate government responses to cyclical fluctuations.
- (7) Describe the linkages of the domestic economy to the global economy through international trade, international investment, and exchange rates.

Course material correspondence

D2L will be actively used for course management. All course related material and homework assignments will be posted on D2L. Grades will be posted on D2L. **You are responsible for checking D2L on a regular basis**, and keeping yourself up to date with the class. You should read your emails with "ECON 2210" in the subject as class related announcements will be sent through emails from time to time.

In case you need to email me regarding anything related to the class make sure that you include "ECON 2210" in the subject so that I don't miss your email and know which class you are from.

Grading Policy and Final Grade Calculations

Final grade distribution will be as follows

Midterm 1: 1/3

Midterm 2: 1/3

Final Exam: 1/3

- You must take the final exam to receive credit for the course

At the end of the semester, after the final stage of calculations, the course grade will be rounded for 0.5 - 0.9 points. The average weight of your score produces a letter grade as follows

93 - 100	A	80 - 82	B-	67 - 69	D+
90 - 92	A-	77 - 79	C+	60 - 66	D
87 - 89	B+	73 - 76	C	0 - 59	F
83 - 86	B	70 - 72	C-		

A grade of “incomplete” (I) is given only when a student is unable to complete the coursework due to severe illness or other unusual circumstances. A student will not be given an incomplete simply to avoid a bad or failing grade.

Exams

There will be 3 exams. Exams will be multiple choice. They will be open book and taken online through D2L but there is a time limit of one hour. You will be able to take the exam at any point from the morning to the evening during the day listed.

Midterm 1: February 18

Midterm 2: March 30

Final Exam: May 6

Assignments

Homework assignments will be available on D2L. They will not be graded and are to help you learn to think about economics. You should always bring a folder with all lecture slides, worksheets, and handouts posted on D2L to class.

Policy for missed work and makeups

If you miss an exam, makeup exams will be given under extraordinary circumstances (such as a medical emergency or death in the family). If an emergency causes you to miss an exam, make sure you notify me before the exam begins. You can email/call me or call Sheri in the department of Economics and Finance main office (423.439.4202). Further, you must see me with proper documentation and make up the exam possibly before the next class meeting. Either way you should be responsible to notify me before the start of the exam and make it up at the earliest possible. In case you need to attend an event deemed to be compulsory by your department or the university which conflicts with an exam, you need to let me know at least one week prior to the exam. In that case, I will let you take the exam before the actual date based on a mutually convenient schedule.

Attendance Policy

Regular class attendance or viewing of the lectures online is expected and will help you get better grades. A count of attendance will be maintained for the days we have the random in-class Assignments. These counts might be used to add extra credit attendance points to your final course grade. Students consistently missing classes will be reported as per university requirements.

Honor Code

All exams and other assignments will be administered in strict observance of the University Honor Code, without compromise or exception. Any violations of the University Honor Code will be reported to the Honor Council!

What to bring to class?

You MUST print out the lecture slides, worksheets and handouts posted on D2L and bring them along with you to class. This way you do not need to write down information already present on the lecture slides and keep up with the pace of the lectures. Also, it will be easier for you to take notes as I explain the information present on the lecture slides. (Microsoft PowerPoint allows you to print multiple slides per page with space for taking notes)

Note: Make sure you take notes in class since the information on the lecture slides is an outline of the topics and thus NOT exhaustive!! Also, some information will be presented in a manner different from the textbook. I will write detailed explanation of the concepts following the outlines on the lecture slides.

Classroom Conduct

You are expected to behave professionally in the classroom and respect your instructor as well as your peers. Rude or disruptive conduct will be penalized. Just a few guideline:

- Arrive on time to minimize disturbance for both instructor and other students.
- Keep your cell phones turned off or in silent mode.
- Abstain from activities such as sleeping in the classroom, talking during lectures, texting on cell-phones.
- If you have to leave a class early, inform your instructor in advance. It is very rude to simply walk out in the middle of a lecture.

Disability Policy

If you need any special accommodation for disability, notify me by the end of the second class session.

COVID-19

There are a number of special considerations during the worldwide pandemic.

Face Masks

From the ETSU face coverings policy:

Please wear a mask or other appropriate face covering to class. Wearing a mask that covers your nose and mouth communicates the care and respect you have for yourself, the care and respect you have for those you live with, and the care and respect you have for other members of this classroom community. The best evidence we have, from public health professionals, is that wearing masks is one of the best ways to protect against the spread of COVID-19 and other airborne illnesses. For the safety of your classmates, if you forget your mask I will have a few available each day to distribute. If you choose not to wear a mask, you will not be able to attend class face-to-face. Students with medical conditions that inhibit their ability to wear masks should register through disability services.

See <https://www.etsu.edu/policies/health-safety/face-coverings.php>

Attendance

There is no penalty for missing class. Stay home if you are sick and watch the lectures on your computer. Missed exams will be made up when you recover.

At the time of writing, there is still the possibility that the class will be moved to online-only, nullifying the above considerations.

Course Outline

PART 1: THE ECONOMIC WAY OF THINKING

Day 1 – SCARCITY

Day 2 – EFFICIENCY

Day 3 – PRODUCTION

Day 4 – COMPARATIVE ADVANTAGE

Day 5 – DEMAND

Day 6 – SUPPLY

Day 7 – MARKET EQUILIBRIUM

Day 8 – ECONOMIC SURPLUS

Day 9 – GOVERNMENT INTERVENTION

Day 10 - MIDTERM 1

PART 2: WHAT EVERY COLLEGE GRADUATE SHOULD KNOW

Day 11 – GROSS DOMESTIC PRODUCT

Day 12 – REAL VS NOMINAL GDP

Day 13 – UNEMPLOYMENT

Day 14 – INFLATION

Day 15 – ECONOMIC GROWTH

Day 16 – INVESTMENT

Day 17 – BUSINESS CYCLES

Day 18 – LONG-RUN GROWTH

Day 19 – CONVERGENCE

Day 20 – MIDTERM 2

PART 3: MONEY AND POWER

Day 21 – MONEY AND BANKING

Day 22 – THE QUANTITY THEORY OF MONEY

Day 23 – MONETARY POLICY

Day 24 – THE FEDERAL RESERVE

Day 25 – CONGRESS AND FISCAL POLICY

Day 26 – THE TREASURY AND THE NATIONAL DEBT

Day 27 – THE ECONOMICS OF WAR

Day 28 – THE THEORY OF REGULATION

Day 29 – FINAL EXAM

Note: This outline represents a basic course plan that is subject to change. You are responsible for any changes announced in class and/or posted on D2L or notified via email.