

Time: MW 6:00 – 7:15 pm  
Synonym: 29332  
Section: 029  
Room: CYP1 1106

Instructor: Gregory Hennessy  
Office: CYP Adjunct Faculty Office  
Hours: MW 7:15 – 7:30 pm  
And by appointment  
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Phone: (512) 223-8132

### **COURSE DESCRIPTION**

*Principles of Macroeconomics* deals with consumers as a whole, producers as a whole, the effects of government spending and taxation policies, and the effects of the monetary policy carried out by the Federal Reserve Bank. Macroeconomics is concerned with unemployment, inflation, and the business cycle.

### **TEXT**

Macroeconomics, McConnell, Campbell R. & Stanley L. Brue, 17<sup>th</sup> Edition, 2008.

### **INSTRUCTIONAL METHODOLOGY**

Students will learn through a combination of lecture, discussion, and small group exercises.

### **COURSE RATIONALE**

This course is meant to give students insight into the dynamics of our national economy. The knowledge gained in this course will make students more informed citizens and allow them to follow the debates over national economic policy reported in the media. This course is also a foundation course that will prepare students to be successful in upper division finance, marketing, business administration, economics, government and social work courses.

### **COMMON COURSE OBJECTIVES / STUDENT OUTCOMES**

As established by the Department of Economics, students who complete this course will be able to understand:

- the meaning of unemployment and inflation data, and how that data is collected and computed;
- the meaning and components of the National Income Accounts, especially GDP;
- the meaning of the business cycle and its phases;
- and manipulate the basic Aggregate Supply, Aggregate Demand model of the macro economy,
- how fiscal policy operates, its tools, and its advantages and drawbacks;
- how a fractional reserve banking system works; and
- how monetary policy operates, its tools, and its advantages and drawbacks.

### COURSE ORGANIZATION

The course is divided into five parts (roughly corresponding to the textbook's "Parts") as indicated by the course calendar and summarized here:

- Part 1: Chapters 1-4 (note: not Chapter 5)
- Part 2: Chapters 6-8
- Part 3: Chapters 9-11
- Part 4: Chapters 12-14, 17
- Part 5: Chapters 14W & 16

There will be a quiz at the *start* of each chapter discussion and an exam *at the end* of each part. The dates appear on the course calendar.

### COURSE EVALUATION / GRADING SYSTEM

You will earn six (6) scores: five (5) exam scores, and a quiz & in-class exercise score. Your lowest score will be automatically dropped. Your remaining five (5) scores will be averaged:

#### Exams

Exams are comprehensive tests of your mastery of each part's content. Each exam will have a section of multiple-choice questions (usually accounting for approximately 1/3<sup>rd</sup> of the total points on the exam) and some combination of fill in the blank type questions, quantitative and/or graphical analysis problems (from the "Study Questions" at the end of each chapter), and list & describe questions.

Whenever either of the last two categories appears on an exam, you will be given a choice over which problems to complete. For example, six (6) problems may be presented, but you have to complete a subset of them, perhaps four (4). You will get to choose which problems to complete. If you complete more than the assigned number of problems, only the first ones (in this example, the first four) will count.

It is your responsibility to bring a calculator (if you need one) to the exam. How do you know if you might need a calculator? Did you need one while completing the Study Questions at the end of the chapter?

*Make up exams WILL NOT be given – use your option to drop one (1) grade! If you have more than one schedule conflict you should consider taking this course when you have the time necessary to devote to it.* Leaving the classroom for any reason is an indication that you are through with the exam. Doing so will result in immediate termination of the examination, and the exam will be graded as-is. You may leave as soon as you have handed in your exam.

If your cell phone rings during an exam it disrupts the concentration of your classmates and signals to me that you are through with the exam and ready to socialize – therefore your exam will be collected and graded as-is.

**Quizzes & In-Class Exercises**

You will earn points for quiz performance and participation in in-class exercises. These points will accumulate in a separate “bucket” of points. The score for this bucket of points is capped at “100” even though well over 100 points will be available.

Reading each chapter *prior to* in-class discussion is vital to creating an exciting and robust learning environment. You are expected to read each chapter before the chapter is discussed in class. Quizzes are intended to measure your basic familiarity with each chapter’s content, at a level consistent with merely have read the material. Their format will be either multiple choice or “fill in the blank.” Each quiz will be worth 5 points.

In-class exercises will be in a wide range of formats and with a varying amount of points available, though usually in the 5-10 point range.

**PROBLEM SETS**

Students are expected to complete the study questions at the end of each chapter. Study questions will *not* be collected, but select questions (or minor variations thereof) will appear on the exams.

**COURSE POLICIES****Attendance / Participation**

Attendance and class participation is vital to your education and that of your classmates. You should come to every class having prepared appropriately. All students are expected to participate everyday in class discussion, small group exercises and other activities.

**Withdrawals**

Should you decide to withdraw from this class for any reason, it is YOUR responsibility to do so by the established deadline. Students who consistently miss quizzes and at least one exam will be dropped.

**Scholastic Dishonesty**

Acts prohibited by the college for which discipline may be administered include scholastic dishonesty, including but not limited to cheating on an exam or quiz, plagiarizing, and unauthorized collaboration with another in preparing outside work. Academic work submitted by students shall be the result of their thought, research or self-expression. Academic work is defined as, but not limited to tests, quizzes, whether taken electronically or on paper, projects, either individual or group; classroom presentations, and homework.

**Students with Disabilities**

Each ACC campus offers support services for students with documented physical or psychological disabilities. Students with disabilities must request reasonable accommodations through the Office for Students with Disabilities on the campus where they expect to take the majority of their classes. Students are encouraged to do so immediately.

### Course Calendar

DATE	QUIZ	CLASS CONTENT
1/21		Overview / Chapter 1: Limits, Alternatives, and Choices
1/26	Ch 1	Introductions / Appendix A: Graphs and Their Meaning
1/28	Ch 2	Chapter 2: The Market System and the Circular Flow
2/2		Market Simulation Exercise
2/4	Ch 3	Chapter 3: Demand, Supply, and Market Equilibrium
2/9		Chapter 3: Demand, Supply, and Market Equilibrium
2/11	Ch 4	Chapter 4: The U.S. Economy: Private and Public Sectors
2/16		Chapter 4 and Review
2/18		EXAM 1
2/23	Ch 6	Chapter 6: Measuring Domestic Output and National Income
2/25	Ch 7	Chapter 7: Introduction to Economic Growth and Instability
3/2		Chapter 7: Introduction to Economic Growth and Instability
3/4	Ch 8	Chapter 8: Basic Macroeconomic Relationships
3/9		Chapter 8 and Review
3/11		EXAM 2
3/16 3/18		SPRING BREAK
3/23	Ch 9	Chapter 9: The Aggregate Expenditures Model
3/25		Chapter 9: The Aggregate Expenditures Model
3/30	Ch 10	Chapter 10: Aggregate Demand and Aggregate Supply
4/1	Ch 11	Chapter 11: Fiscal Policy, Deficits
4/6		Chapter 11 and Review
4/8		EXAM 3
4/13	Ch 12	Chapter 12: Money and Banking
4/15		Chapter 12: Money and Banking
4/20	Ch 13	Chapter 13: Money Creation
4/22	Ch 14	Chapter 14: Interest Rates and Monetary Policy
4/27		Chapter 17: Disputes over Macro Theory and Policy
4/29		Chapter 17 and Review
5/4		EXAM 4
5/6	Ch 14W	Chapter 14W: Financial Economics
5/11	Ch 16	Chapter 16: Economic Growth
5/13		EXAM 5