Course Objectives
This course is designed to firmly ground the student with the basic concepts of macroeconomic theory, particularly as they relate to a market economy in a global setting. The student will understand the circular flow, measurement aspects of macroeconomic conditions, the components of economic activity, monetary and fiscal policy as they affect the behavior of macroeconomic variables, and the interrelationship between the domestic economy and the world economy. In addition, students will develop an awareness of how these macroeconomic conditions affect their lives as consumers, entrepreneurs, and business professionals.

Course Information and Requirements


GRADE DETERMINATION:
YOUR performance, measured in the following areas, will determine your grade in this course. Listed below are the components and their relative importance.

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exams</td>
<td>400</td>
</tr>
<tr>
<td>Problem Sets</td>
<td>300</td>
</tr>
<tr>
<td>Final Exam</td>
<td>300</td>
</tr>
</tbody>
</table>

EXAMS: There will be many short exams (approximately 12 multiple choice questions), usually after the conclusion of a chapter.

PROBLEM SETS: The problem sets will consist of a variety of styles of conceptual and mathematical problems designed to help each student master important concepts and understand their applicability to the real world.

FINAL EXAM: The final exam will take place at the prescribed time using a format to be announced.
John Carroll University recognizes its responsibility for creating an institutional climate in which students with disabilities can succeed. In accordance with University policy, if you have a documented disability, you may be eligible to request accommodations from the office of Services for Students with Disabilities. Students with disabilities are entitled to reasonable accommodations and should have equal access to learning. Please contact the office for Students with Disabilities at (216) 397-4967 if you have any questions or to set up an appointment to meet its coordinator. After your eligibility for accommodations is determined, you will be given a letter which, when presented to instructors, will help us know how best to assist you. Please keep in mind that accommodations are not retroactive so it is best to register with Student Disability Services at your earliest convenience.

Cheating will not be tolerated under any circumstances (homeworks, quizzes, tests, etc.). Anyone caught cheating will be punished as severely as possible in accordance with the guidelines specified in the Student Handbook.

READING OUTLINE

1. WEEK ONE JUNE 17-21
   Modules 1-2
   Ten Principles of Economics
   Personal Decision-making and Interactions
   How the Economy works

   Module 3
   Interdependence
   Gains from Trade
   Comparative Advantage

   Module 4
   Market forces
   Supply and demand

   Module 5
   Income and Expenditures
   GDP, real and nominal
   The cost of living, CPI

2. WEEK 2 JUNE 24 – JUNE 28
   Module 6
   Productivity and Growth
   Production functions
   Human capital

   Module 7
   Financial institutions
   Market for loanable funds
   Time value of money
Module 8  Unemployment
Types of unemployment
The natural rate of unemployment

3. WEEK 3  JULY 1 - 5

Module 9  U.S. Monetary system
The FED
Banks and the money supply

Module 10  Inflation
The Quantity Theory of Money
Costs of inflation

4. WEEK 4  JULY 8 - 12

Module 11  Open economy macroeconomics
International flows
Foreign exchange markets

Module 12  Aggregate supply and aggregate demand
How and why?

5. WEEK 5  JULY 15 - 19

Module 13  Monetary and Fiscal policy
Effects on aggregate demand
Stabilizing policy

Module 14  Inflation vs. Unemployment tradeoffs
Macro policy debates

FINAL EXAMINATION: THURSDAY JULY 18, 2013