WebCampus: This course is a WebCampus course. I will post the course outline, home work assignments, other handouts, and so on at the WebCampus site. You can access this site 24/7, except for scheduled maintenance on the system and unexpected downtimes due to technical glitches.

Aplia: This is an Aplia course. All graded home work assignments will be taken in Aplia. You need to register for Aplia. Please go to http://www.aplia.com/. You can create a new account at this site and you will need to course key to do so.

Text and Study Guide: You can purchase the text with Aplia access for $90 on line at www.cengagebrain.com. Type the course key into the registration box to take you to my course. Alternatively, you type in the search for text box 053845377X. This will take you to the textbook site where you can order Aplia packaged with the ebook. Choose the Aplia and textbook combination that has the title seen below in the next subsection. Access through cengagebrain.com will take you to the study aids for the course, which serve as the student study guide.


Course Objectives: Upon completion of this course, the successful student will understand the use of economic diagrams, simple mathematics as related to economic concepts, and logic in the development and application of macroeconomic theory to public policy issues and real-world events, with a special emphasis on problem solving and the financial crisis and Great Recession and recovery(?). Topics include supply and demand, the composition of national product and income, the causes of unemployment and inflation, the nature of money and banking, fiscal and monetary policy, and international finance.

Grading: Your grade for the course depends solely on your grades on the quizzes and the examinations. There will be fifteen (15) home work assignments, two (2) multiple-choice midterm exams, and a multiple-choice final exam. The graded home works will be taken at the Aplia site and will count as 20% of the course grade. Practice home works are also available at Aplia so that you can get ready for the graded home works and exams. There are no make-up home works. Home works are taken at your convenience at the Aplia site with a fixed, drop-dead deadline.
Two closed-book exams are scheduled during regular class time on Thursday, October 6, 2011 and Thursday, November 10, 2011, covering lectures and readings up to that point of the course. Exams will be composed of 40 multiple-choice questions. Each midterm exam will count as 25% of the course grade. Sample exams are posted on WebCampus.

The closed-book final exam is scheduled for Thursday, December 15, 2011 from 8:00 to 10:00 AM. The final exam will be comprehensive, with about 50% of the weight given to material covered after the second mid-term exam, and the remainder given to material covered before the first and second midterm exams. The final exam will be comprised of 60 multiple-choice questions. The final exam will count as 30% of the course grade.

Grades will be assigned based on a curve. That curve, however, will never be more stringent than 90% or better = A, 80% or better = B, 70% or better = C, 60% or better = D, below 60% = F. Plus/minus (+/-) grades will be used.

Attendance/Makeup Policy: Regular class attendance is strongly recommended. You are responsible for all reading material and all material presented in class. The final exam will serve as the makeup exam for any missed midterm exams. A makeup exam for a missed final exam will be given during the first two weeks of the spring semester. You are responsible for arranging with the Department to take the makeup.

Course Outline and Readings:

I. Economics: Introduction (1 week)
   A. Economic Problem
      1. Unlimited Wants, Scarce Resources
      2. Art of Economics
      3. Science of Economics
      4. Fallacies
      5. Choice and Opportunity Cost
   B. Economic Questions
      1. What to Produce?
      2. How to Produce?
      3. Whom to Produce for?
   C. Examples of Science of Economics
      1. Circular-Flow Model
      2. Comparative Advantage
      3. Production Possibilities
D. Macroeconomic Decision Makers
   1. Households
   2. Firms
   3. Governments
   4. Rest of World

Readings:

1. Chapters 1, 2, and 3.

II. Demand and Supply: Review (1 week)
   A. Demand Function and Curve
   B. Supply Function and Curve
   C. Equilibrium
   D. Comparative Statics

Readings:

1. Chapter 4

III. Macroeconomics: Introduction (1 week)
   A. Economic Fluctuations and Growth
      1. Business Cycle
      2. Trend Output
   B. Aggregate Market for Output
      1. Aggregate Demand
      2. Aggregate Supply
      3. Equilibrium
      4. Comparative Statics

Readings:

1. Chapter 5.

IV. Macroeconomics: Measurement Issues (3 weeks)
   A. Gross Domestic Product (GDP): Expenditure Equals Income
      1. Expenditure
      2. Value Added
      3. Income
   B. Price Indexes
      1. GDP Deflator
      2. Consumer Price Index (CPI)
      3. Producer Price Index (PPI)
   C. Employment and Unemployment
1. Employer Survey
2. Household survey
3. Types of Unemployment

D. Inflation
1. Anticipated and Unanticipated
2. Inflation and Interest Rates

E. Productivity and Growth
1. Labor Productivity
2. Output per Capita

F. Balance of Payments
1. Current Account
2. Financial Account

G. Exchange Rate
1. Foreign Exchange Market
2. Purchasing Power Parity
3. Fixed and Flexible Exchange Rates

Readings:

1. Chapters 6, 7, 8, and 19.

V. Aggregate Expenditure and Aggregate Demand (2 weeks)
A. Components of Aggregate Demand
1. Consumption Function
2. Investment Function
3. Government Expenditure and Fiscal Policy
4. Net Export Function

B. Aggregate Expenditure and Income
1. Expenditure Multiplier

C. Aggregate Demand
1. Substitution Effect
2. Wealth Effect
3. Interest Rate Effect

Readings:

1. Chapters 9 and 10.

VI. Production and Aggregate Supply (1 week)
A. Resources and Aggregate Supply
1. Long Run
2. Short Run
3. Actual and Expected Price Level

B. Aggregate Supply and Aggregate Demand
1. Long-Run Equilibrium
2. Short-Run Equilibrium
3. Expansionary and Recessionary Gaps
4. Comparative Statics

Readings:
1. Chapter 11.

VII. Dynamic Analysis: Phillips Curves (1 week)
   A. Phillips Curves
      1. Short Run
      2. Policy Menu?
      3. Long Run
   B. Phillips Curves and Aggregate Supply/Aggregate Demand

Readings:
1. Chapter 17 (pp. 384-389).

VIII. Money, Financial System, Aggregate Demand, and Monetary Policy (3 weeks)
   A. Money
      1. Types
      2. Functions
      3. Definitions
   B. Price of Money
      1. Interest Rate
      2. Exchange Rate
      3. Inverse of Price Level
   C. Financial Institutions
      1. Commercial Banks
      2. Thrifts
      3. Federal Reserve (Fed): Central Bank
   D. Financial Crisis and Great Recession
      1. Deregulation
      2. Subprime Lending and Incentive Issues
      3. Reregulation?
   E. Multiple Expansion and Bank Money
      1. Simple Money Multiplier Model
      2. More Complete Model
      3. Roles of Central Bank, Nonbank Public, and Banks
   F. Money Market
      1. Demand for Money
      2. Supply of Money
3. Equilibrium

G. Money Supply and Aggregate Demand
   1. Short Run
   2. Long Run

H. Monetary Policy and the Great Recession
   1. Zero Interest Rate Bound
   2. Quantitative Easing
   3. Pushing on a String?

Readings:

1. Chapters 14, 15, and 16.

IX. Fiscal Policy and Aggregate Demand (1 week)
   A. Government Purchases, Transfer Payments, and Taxes
      1. Multiplier
      2. Government Budget Deficit (Surplus)
      3. Government Deficit and Government Debt
   B. Discretionary Policy
      1. Recessionary Gap
      2. Expansionary Gap
   C. Automatic Stabilizers
   D. Obama Stimulus Package

Readings:


X. Macroeconomic Policy Debates (1 week)
   A. Active Versus Passive Policy
      1. Lags
      2. Expectations
      3. Policy Credibility
      4. Rules Versus Discretion

Readings:

1. Chapters 17 (pp. 369-384).

Withdrawal: November 7, 2011 is the last date to withdraw from class.

Academic Misconduct: Academic integrity is a legitimate concern for every member of the campus community; all share in upholding the fundamental values of honesty, trust, respect, fairness, responsibility and professionalism. By choosing to join the
UNLV community, students accept the expectations of the Academic Misconduct Policy and are encouraged when faced with choices to always take the ethical path. Students enrolling in UNLV assume the obligation to conduct themselves in a manner compatible with UNLV’s function as an educational institution. An example of academic misconduct is plagiarism. Plagiarism is using the words or ideas of another, from the Internet or any source, without proper citation of the sources. See the Student Academic Misconduct Policy (approved December 9, 2005) located at: http://studentconduct.unlv.edu/misconduct/policy.html.

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Disabilities: The Disability Resource Center (DRC) determines accommodations that are “reasonable” in promoting the equal access of a student reporting a disability to the general UNLV learning experience. Faculty will only provide students course adjustment after having received an “Academic Accommodation Plan” from the DRC. UNLV complies with the provisions set forth in Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990. The DRC is located in the Student Services Complex (SSC-A), Room 143, phone (702) 895-0866, fax (702) 895-0651. For additional information, please visit: http://drc.unlv.edu/.

Religious Holidays Policy: Any student missing class quizzes, examinations, or any other class or lab work because of observance of religious holidays will receive an opportunity during that semester to make up missed work. The make-up will apply to the religious holiday absence only. It is the student's responsibility to notify the instructor no later than the last day of late registration of his or her intention to participate in religious holidays, which do not fall on state holidays or periods of class recess. This policy shall not apply in the event that administering the test or examination at an alternate time would impose an undue hardship on the instructor or the university which could have been avoided. For additional information, please visit: http://catalog.unlv.edu/content.php?catoid=4&navoid=164.