



CALIFORNIA STATE UNIVERSITY, SACRAMENTO  
DEPARTMENT OF ECONOMICS

**ECON 1A – Introduction to Macroeconomic Analysis**  
FALL 2009

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Instructor:	Kristin Van Gaasbeck	Office:	Tahoe 3015
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Course web page:	<a href="http://econ.aplia.com/">http://econ.aplia.com/</a>	Office Hours:	Tues. 9:30-11a.m., Wed. 3:30-5p.m., or by appointment
Aplia course key:			

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<b>General Information</b>	Lecture:	MWF 9-9:50a.m.	Call No.:	84027
	Section:	01	GE Area:	D1A

**Catalog Description**      Introductory inquiry into the workings and interrelationships of the aggregate economic system. The primary focus is on total production and its distribution, employment and price levels, and the forces influencing them. Other considerations are the roles of government, the monetary sector, and related areas. 3 units.

**Scope and Objectives**      Macroeconomics is the branch of economics that deals with the economy as a whole. This is the broad field that focuses on economic issues you've seen discussed in the media: unemployment, GDP, inflation, and interest rates. Macroeconomics is often at the heart of political debates and affects our everyday lives. Changes in macroeconomic conditions affect various gender, ethnic, and socio-economic groups differently. Policy decisions have important implications for these groups and the economy as a whole. These choices influence business cycles and long-term economic growth.

At the end of this course, you should have a general understanding of macroeconomics and how to apply economic thinking to everyday decisions. You should be able to use models developed this semester to:

- (i) understand how key macroeconomic variables are measured,
- (ii) identify the sources of economic growth and explain differences in standards of living across countries,
- (iii) examine potential causes of short-run economic fluctuations, and
- (iv) analyze how policy affects the economy as a whole.

**Required Textbook**      Mankiw, N.G. (2009). *Brief Principles of Macroeconomics*, 5<sup>th</sup> edition.  
(available online)

You are required register for this course online through Aplia (\$80). Your registration includes an online version of the textbook. You may order a hard copy of the textbook through Aplia (for an additional fee) if you prefer, but the hard copy is not required.

<b>Grading</b>	Homework	32%
	Experiments	8%
	Two term exams	30% (15% each)
	<u>Comprehensive</u> final exam	30%

Grades will be distributed according to the following scale (approximately):

A	90 or above	C	68-78	F	Less than 57
B	79-89	D	57-67		

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### Assignments, Exams, and Experiments

- Homework will be completed in an online interactive format and will require reliable (high-speed) internet access. Assignments will be completed at the Aplia web site. I encourage you to use the on-campus computer labs or other source with a high-speed internet connection. Computer problems are not an excuse for missing assignments.
- **No late homework will be accepted.** Due dates for all assignments are posted on Aplia in advance. It is not possible to extend time for assignments after the due date. If you add the course late in the semester, you cannot makeup work you have missed.
- Give yourself ample time to complete the assignments. These assignments are challenging and important both for your homework grade and your performance in the class. Most assignments have accompanying optional practice problem sets. I encourage you to spend time working through them carefully and to seek out help from me, a classmate, or an economics tutor when you encounter problems.
- Answer keys for all material will be available online on Aplia immediately after the due date and time. Please be sure to review your problem sets before exams.
- Exams are closed book and given in class. All exams are comprised of written response and multiple choice questions.
- Free peer tutoring for this class is available in the Department of Economics. Tutoring hours are posted in the Department office during the first week of classes.
- Experiments are held during class meeting time. You will need a reliable internet connection to participate and receive credit. Computer labs are available at: MND 2003, 2004, 2007, 2008; LIB 2000; and ARC 2000. Your in-class participation grade is based on your participation in experiments.

### Policies

1. Academic honesty is expected. I encourage you to work together on problem sets and study in groups, however, work submitted for a grade must be that of the individual student. You will receive a mark of zero on any work where cheating or plagiarism occur. Students suspected of cheating will be reported to Judicial Affairs.
2. You are responsible for bringing a scantron form (#882-E or similar) on the day of exams. Exams will be closed book and given in class.
3. There will be **no makeup examinations**. Exam dates are given in the course outline below and are on posted online. This is to avoid any potential conflicts.
4. Attendance is highly recommended. If you miss a class, be sure to check with your fellow classmates, and the course web page to see what material you missed.
5. Come to class on time; you will not be given extra time if you are late for an exam.
6. You are required to register for Aplia at <http://econ.aplia.com/>.
7. If you decide to withdraw from this class, make sure you do so with the registrar. If you withdraw without permission, you will be assigned a failing grade. Once a student submits work for a grade, he/she will not assigned a grade of "WU" under any circumstances.
8. Keep mobile devices off during class. This includes laptops. Unless you receive permission from the instructor, you may not use your laptop during class lectures. You may not use your phone/MP3 player as a calculator on exams. You may use a calculator without programming capabilities.
9. If you have a learning disability or a physical disability that requires accommodation, please let me know as soon as possible. All needs that have been verified through the Services to Students with Disabilities (Lassen Hall) will be accommodated.

Course Outline

	Dates	Topic	Reading
Week 1	Aug. 31 <sup>st</sup> – Sept. 4 <sup>th</sup>	Lecture 1: Introduction to Economics Lecture 2: Thinking Like an Economist	Chapter 1 Chapter 2
Week 2	Sept. 7 <sup>th</sup> – 12 <sup>th</sup>	<b>No class – Labor Day Holiday (Monday, Sept. 7<sup>th</sup>)</b> Lecture 3: Interdependence and Gains from Trade	Chapter 3
Week 3	Sept. 14 <sup>th</sup> – 18 <sup>th</sup>	Lecture 4: The Market Forces of Supply and Demand *** <i>Experiment #1: Demand and Supply (Friday, Sept. 18<sup>th</sup>)</i>	Chapter 4
Week 4	Sept. 21 <sup>st</sup> – 25 <sup>th</sup>	Lecture 4 continued <b>Exam #1:</b> Lectures 1-4 (Friday, September 25 <sup>th</sup> )	
Week 5	Sept. 28 <sup>th</sup> – Oct. 2 <sup>nd</sup>	Lecture 5: Measuring the Nation's Income	Chapter 5
Week 6	Oct. 5 <sup>th</sup> – 9 <sup>th</sup>	Lecture 6: Measuring the Cost of Living	Chapter 6
Week 7	Oct. 12 <sup>th</sup> – 16 <sup>th</sup>	Lecture 7: Production and Growth <b>No class – President Designated Furlough Day (Friday, Oct. 16<sup>th</sup>)</b>	Chapter 7
Week 8	Oct. 19 <sup>th</sup> – 23 <sup>th</sup>	*** <i>Experiment #2: Production and Labor (Monday, Oct. 19<sup>th</sup>)</i> Lecture 7 continued Lecture 8: Savings, Investment, & the Market for Loanable Funds	Chapter 8
Week 9	Oct. 26 <sup>th</sup> – 30 <sup>th</sup>	Lecture 8 continued <b>Exam #2:</b> Lectures 5-8 (Friday, October 31 <sup>st</sup> )	
Week 10	Nov. 2 <sup>nd</sup> – 6 <sup>th</sup>	Lecture 9: Unemployment and its Natural Rate *** <i>Experiment #3: Unemployment Compensation (Friday, Nov. 6<sup>th</sup>)</i>	Chapter 10
Week 11	Nov. 9 <sup>th</sup> – 13 <sup>th</sup>	Lecture 10: The Monetary System <b>No class – Veteran's Day Holiday (Wednesday, Nov. 11<sup>th</sup>)</b>	Chapter 11
Week 12	Nov. 16 <sup>th</sup> – 20 <sup>th</sup>	Lecture 11: Aggregate Demand and Aggregate Supply	Chapter 15
Week 13	Nov. 23 <sup>rd</sup> – 27 <sup>th</sup>	<b>Exam #3:</b> Lectures 9-11 (Monday, November 24 <sup>th</sup> ) *** <i>No Class Meeting (Wednesday, Nov. 25<sup>th</sup>)</i> <b>No class – Thanksgiving Day Holiday (Nov. 26<sup>th</sup> - Nov. 27<sup>th</sup>)</b>	
Week 14	Nov. 30 <sup>th</sup> – Dec. 4 <sup>th</sup>	Lecture 12: The Influence of Monetary and Fiscal Policy on AD/AS *** <i>Experiment. #4: Fixed vs. Flexible Prices (Friday, Dec. 4<sup>th</sup>)</i>	Chapter 16
Week 15	Dec. 7 <sup>th</sup> – 11 <sup>th</sup>	Lecture 12 continued and Review for Final Exam	
Week 16	Fri., Dec. 18 <sup>th</sup>	<b>Final Exam</b> (Comprehensive, Lectures 1-12) 8:00a.m. – 10:00a.m.	

NOTE ON FURLOUGHS:

Faculty are required to take a total of 9 furlough days during the semester during the 2009-2010 academic year. One of these days is a campus-wide furlough day, designated by the President (October 19, 2009). The remaining 8 days are selected by the individual faculty and subject to approval by the dean. A complete list of my furlough days (including days when our class does not meet) will be posted on the course web site.

\*\*\* Indicates individual faculty's designated furlough day in the course outline above. Your other classes will meet as regularly scheduled on these days, unless you are otherwise notified by your instructor. On furlough days, the instructor is not permitted to hold office hours, respond to e-mail, etc. The University has recommended that faculty make up for this missed in-class meeting time through additional assignments. In my class, you will be participating in online experiments during the regular class meeting time, with the exception of Wednesday, November 25. I will not be able to participate in these online experiments with you, but I will review the experiment results and assign credit for active participation. We will review the results of these experiments during the following class meeting.