ECON 2101-002  
Principles of Macroeconomics  
Spring 2016  

Thur, 3:30 – 4:45pm, Rowe 130  
(ONLY ON 4 TEST DATES)  

Instructor: Dr. Carol O. Stivender  

“Try not to have a good time. This is supposed to be educational.”  
Lucy, “Peanuts”  

Office: 219D, Friday Building  
E-mail: costiven@uncc.edu (Indicate your name and class section in your e-mail)  
Office Hours: Tue: 10:00 – 10:45am and 3:30 – 4:30pm  
Thur: 10:00 – 10:45am and 12:30 – 2:00pm (except on test dates)  
and by appointment as needed.  

Course Website: All course materials are available on MyEconLab and Moodle  

MyEconLab Info: pearsonmylabandmastering.com  
Course ID: stivender77876 (see Moodle for instructions on how to register)  

Textbook: Macroeconomics, 5th edition (4th edition of the paper book will work, but you must have 5th edition access code)  
SEE MOODLE FOR BOOK/CODE INFO.  

Authors: Hubbard/O’Brien  
Publisher: Pearson  

Course Description: Principles of Economics-Macro. Scope and Methodology of Economics as a social science,  
the measurement of national income, inflation and unemployment, money and banking, monetary and fiscal policy, and  
international economics. (Formerly Econ 1201). This section will be taught as hybrid course (half F2F, half online).  

Course Objectives: To gain a fundamental understanding of the workings of the macro-economy; to develop a basic  
understanding of the role that government has in influencing economic activity. Along with other course objectives, this course  
will help the student to develop problem-solving skills; skills associated with independent thinking; and will address social,  
political, and global issues using tools of economic analysis. Along with other course objectives, this course will help the student  
to develop problem-solving skills; skills associated with independent thinking; and will address social, political, and global issues  
using tools of economic analysis. Additionally, for students enrolled under the guidelines of the 2001-2003 catalog, ECON 2101 is  
one of the courses that can be used to meet Goal VI (Understanding the Individual, Society, and Culture) of the University’s  
General Education Requirements. According to this goal:  

UNC Charlotte graduates should be able to:  
• Understand how institutions operate with societies in both contemporary and historical perspectives.  
• Understand internal and external influences that promote and inhibit human action.  
• Understand the patterns of change that individuals experience at various points in life.  
• Recognize the complex, integrated, and dynamic nature of human behavior and human experience.  
• Understand the commonalities, differences, and interdependence among and within societies of the world.  

For students admitted to the university under the guidelines of the 2003-2005 catalog or later, this course can be used to meet  
the social science goal under section II, Inquiry in the Sciences. This requirement is designed to introduce students to the  
methods of the social sciences and to the application of these methods for gaining a scientific understanding of the social world.
Course Policies

Academic Integrity:
Students have the responsibility to know and observe the requirements of The UNC Charlotte Code of Student Academic Integrity. This code forbids cheating, fabrication or falsification of information, multiple submissions of academic work, plagiarism, abuse of academic materials, and complicity in academic dishonesty. Any special requirements or permission regarding academic integrity in this course will be stated by the instructor and are binding on the students. Academic evaluations in this course include a judgment that the student’s work is free from academic dishonesty of any type; and grades in this course therefore should be and will be adversely affected by academic dishonesty. Students who violate the code can be expelled from UNC Charlotte. The normal penalty for a first offense is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to F. Copies of the code can be obtained from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty to the course instructor.

THIS IS AN ONLINE COURSE!

That means we will not meet face to face (F2F) except for four tests on Thursdays at 3:30pm in Rowe 130. Since you will not see me in a regular class, you will need to learn the material on your own, with assistance from the textbook and MyEconLab, the online course management system we are using this semester. The typical workflow for each chapter will be as follows:

**Step 1:** Complete a MyEconLab homework assignment, using the textbook (or e-text), assigned videos, PowerPoints and other tools designed to help you master the material.

**Step 2:** Complete a MyEconLab quiz. The quiz is designed to give you practice testing on the material before moving to the next chapter.

**Step 3:** Take a test after completing two to three chapters. These tests will be with paper and pencil in Rowe 130 on the designated Thursdays.

Homework on MyEconLab: Homework constitutes 10% of the final grade. Required homework assignments will be completed and submitted through MyEconLab. The homework assignments are intended to help you learn the material on your own. This requires a high degree of self-motivation and discipline. The key to not being overwhelmed and stressed by the homework is to keep current, handle it in small bites. The worst mistake students make is to wait until the last minute, just before the time limit expires, to try and cram the assignment in without actually learning anything. DO NOT miss your deadlines – I will not extend any deadlines for any reason.

You have an unlimited number of attempts to complete the homework successfully. I know the strategy with assignments like these is usually to just click on answers until you get the right one and move on. That won’t help you in a hybrid course. Remember, in an online course the point of the homework is not to simply complete it, but to LEARN from it. I will not be lecturing on the material, so it is in your best interest to watch the assigned media clips, to read the book before and during the homework, and to fully engage in the other helpful tools available in MyEconLab. You should also be proactive about asking me for help with concepts that aren’t clear.

Quizzes on MyEconLab: Quizzes constitute 25% of the final grade. Required quizzes will be completed and submitted through MyEconLab. The quizzes are intended to see how prepared you are for a test on the material. You have three attempts to complete each quiz. Quizzes are intended to be completed in one setting. If you begin a quiz and close it before submitting it for a grade, you will be allowed back in but will not have access to questions you have already viewed.

Tests: Test grades constitute 65% of the final grade. There will be four tests given during the regular semester plus an optional cumulative final exam. I will count the four best test grades out of five. If you are happy with your grade after the fourth test you do not have to take the final exam. However, if you could do better you can take the final exam and use it to replace a lower test score or missed test.

Due to the large class size, each test will be comprised of multiple choice and true false questions, and will be taken on opscan computer-graded forms that will be provided. Students should be prepared for the tests by bringing a non-graphing calculator and pencils (cell phones ≠ calculators). The TA or I will e-mail the class when grades are available. Please note, students are not allowed to leave the classroom and return during an exam, so please take care of personal business before entering the room for the exam.
TEST SCHEDULE  *(Tests are in Rowe 130 at 3:30pm)*

Test 1 - Thursday, February 11
Test 2 - Thursday, March 17
Test 3 - Thursday, April 7
Test 4 - Thursday, April 28

The final exam date is Thursday, May 12, from 2:00 to 4:30pm. The exam is optional and cumulative, and substitutes for the lowest test grade, including a missed test. The final exam will not substitute for a homework/quiz grade or a test grade resulting from a violation of academic integrity.

**Make-up work and late work:** There are NO makeup tests, except for students away representing the university (documentation must be provided well in advance of the scheduled exam date, and the exam must be taken prior to the scheduled date). If you miss a test, the missed test will count as your lowest test score and can be replaced by the cumulative final exam. Missed MyEconLab deadlines cannot be made up for any reason. There are NO exceptions to this policy.

Students who arrive late for tests and/or the final exam will be permitted to take the test or final exam provided no student has turned in their paper prior to his/her arrival. Once a paper has been turned in, late arriving students will not be permitted to begin the test or exam. A student who begins a test or exam late will not be given extra time at the end of the regular test or examination period.

**Calculating the grade:**
Grades will be calculated as follows: (Tests 65%, Homework 10%, Quizzes 25%)

\[
\text{Final Grade} = .65(\text{Test Average}) + .10(\text{HW score}) + .25(\text{Quiz Score})
\]

**EXAMPLE:** Assume your highest four test grades are 80, 77, 74 and 84, and you have earned 93% on homework assignments and 85% on quizzes.

\[
\begin{align*}
\text{Final Grade} & = .65((80+77+74+84)/4) + .10(93) + .25(85) \\
& = .65(78.75) + .10(93) + .25(75) \\
& = 51.19 + 9.3 + 21.25 \\
& = 81.7
\end{align*}
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**Grading scale:**

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Test scores will NOT be rounded up. *Rounding of final course averages only* will follow the standard practice (only .5 or above will be rounded up to the next whole number). Thus 79.5 is a B, but 79.4 is not. NO EXCEPTIONS. Do NOT e-mail me when final grades are calculated to beg for extra points. The answer is always no.

**Diversity:** The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.
**Chapters and Sections I Plan to Cover**

**CH 1  ECONOMICS: FOUNDATIONS AND MODELS**

1.1 Three Key Economic Ideas  
1.2 The Economic Problem That Every Society Must Solve  
1.4 Microeconomics vs Macroeconomics  
1.5 A Preview of Important Economic Terms  
Appendix: Using Graphs and Formulas

**CH 2  TRADE-OFFS, COMPARATIVE ADVANTAGE AND THE MARKET SYSTEM**

2.1 Production Possibilities Frontiers and Opportunity Costs  
2.2 Comparative Advantage and Trade  
2.3 The Market System

**CH 3  WHERE PRICES COME FROM: THE INTERACTION OF DEMAND AND SUPPLY**

3.1 The Demand Side of the Market  
3.2 The Supply Side of the Market  
3.3 Market Equilibrium: Putting Demand and Supply Together  
3.4 The Effect of Demand and Supply Shifts on Equilibrium

**TEST 1  Thursday, February 11 (CH 1,2,3)**

**CH 8  GDP: MEASURING TOTAL PRODUCTION AND INCOME**

8.1 Gross Domestic Product Measures Total Production  
8.2 Does GDP Measure What We Want It to Measure?  
8.3 Real GDP vs Nominal GDP

**CH 9  UNEMPLOYMENT AND INFLATION**

9.1 Measuring the Unemployment Rate, the Labor Force Participation Rate, etc  
9.2 Types of Unemployment  
9.3 Explaining Unemployment  
9.4 Measuring Inflation  
9.5 Using Price Indexes to Adjust for the Effects of Inflation  
9.7 Does Inflation Impose Costs on the Economy?

**CH 10  ECONOMIC GROWTH, THE FINANCIAL SYSTEM AND BUSINESS CYCLES**

10.1 Long-Run Economic Growth  
10.3 Business Cycles

**TEST 2  Thursday, March 17 (Ch 8,9,10)**

**CH 13  AGGREGATE DEMAND AND AGGREGATE SUPPLY ANALYSIS**

13.1 Aggregate Demand  
13.2 Aggregate Supply  
13.3 Macroeconomic Equilibrium in the Long Run and Short Run

**CH 14  MONEY, BANKS AND THE FEDERAL RESERVE SYSTEM**

14.1 What is Money and Why Do We Need It?  
14.2 How is Money Measured in the United States today?  
14.3 How Do Banks Create Money?  
14.4 The Federal Reserve System

**TEST 3  Thursday, April 7 (Ch 13,14)**
CH 15  MONETARY POLICY
15.1 What is Monetary Policy?
15.2 The Money Market and the Fed’s Choice of Monetary Policy Targets
15.3 Monetary Policy and Economic Activity
15.6 Fed Policy during the 2007-2009 Recession

CH 16  FISCAL POLICY
16.1 What is Fiscal Policy?
16.2 The Effects of Fiscal Policy on Real GDP and the Price Level
16.6 Deficits, Surpluses and the Federal Government Debt

TEST 4  Thursday, April 28  (Ch 15,16)
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- **April 2016**

- **3 April**: Ch 14 HW Due
- **7 April**: TEST 3
  - Ch 13,14
- **10 April**: Ch 15 HW Due
- **14 April**: Ch 16 HW Due
- **24 April**: Ch 16 HW Due
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