OVERVIEW
How do market economies like the U.S. work? How did they originate? What role do consumers, businesses, and government play in the overall functioning of the economy? How do the financial system and the economy fit together? How do we understand booms, busts, and financial crises? What do they look like in historical context? Why should we care? What does the economy have to do with me? Why are incomes so unequal in the US? What causes growth? Are we overtaxed? Is the federal, consumer, or student loan debt a problem?

LEARNING OUTCOMES:
After completing this course, you should be able to:

- Think about the world in terms of economic models
- Graph and explain all of the important macroeconomic relationships
- Understand the pivotal role of consumers and businesses in the operation of the economy
- Draw the connections between economic history and economic theory
- Manipulate the Aggregate Demand-Aggregate Supply model of the economy.
- Measure and model unemployment, GDP, inflation, and growth and know why they are important in discussing the performance of the economy.
- Understand the basic functioning of the financial system and draw the connections between the financial system and the economy.
- Explain how fiscal and monetary policy operate and analyze the effects of these policy decisions on the performance of the economy in the short- and long-run, using both graphs and explanations.

TOOLS
- Notebook
- Consistent access to the internet
- Macro SparkChart
- Grit & Integrity

COURSE DESCRIPTION
This course will provide you with an introduction to the discipline of economics, the workings of the macro-economy and its relevance to your everyday life.
COURSE INFORMATION

EXAMINATIONS:
There will be two exams in this course – the midterm during the regular term and the final during the final exam period. Each exam comprises 33.33% of your final grade. Your final exam is scheduled for Thursday, June 11th @ 4-7 pm.

QUANTITATIVE LITERACY (QL) PREPS
Beyond arithmetic and geometry, quantitative literacy (QL) also requires logic, data analysis, and probability.... It enables individuals to analyze evidence, to read graphs, to understand logical arguments, to detect logical fallacies, to understand evidence, and to evaluate risks. Quantitative literacy means knowing how to reason and how to think. QL Preps comprise 33.33% of your final grade.

SUPPLEMENTAL INSTRUCTION (SI)
These are peer-facilitated group sessions that will provide you with course-specific learning and study strategies, note taking and testing taking skills, and the opportunity to study with peers. These sessions will be offered throughout the quarter on Fridays.

SECTION HOURS
These are office hours offered in a smaller classroom setting where we can review any of your questions or any difficult concepts in a group environment. They are designed to help you stay on track.

TUTORING
The OCOB Student Success Center provides free tutoring on both a drop-in and scheduled basis. The Center is located at the back of the computer lab on the 3rd floor OCOB.

GRADING SCHEME:
Your final course grade is based on the following:

- Midterm Exam 33.33%
- Final Exam 33.33%
- Quantitative Literacy (QL) Preps 33.33%

OFFICE HOURS
TR 4:00-5:30 in 03-438 plus Supplemental Instruction (SI) Fridays 12-2 in 03-104 and Friday Section Hours TBD

EXPECTATIONS
In this course you are expected to:

- Show up to class on MW prepared to make a positive contribution to the learning environment.
- Study the assigned readings before coming to class and be prepared to participate in activities that rely on the readings.
- Reflect on your understanding and grasp of the material as we move through it
- Seek assistance when you need it.
- Formulate your thinking and understanding of the empirical world in terms of economic models and theory.
RESOURCES

TIPS FOR STUDYING & TAKING TESTS

RESEARCH shows that assessment is one of the most effective ways to learn for most people...

STRATEGY: write down questions after reading, viewing or lectures. Make use of in class exercises and QL packets.

RESEARCH shows that students who practice meta-cognition (thinking about how you think and learn) are better learners

STRATEGY: check in with your progress often... and adjust your strategies as needed. Take stock of what you know and don’t know

RESEARCH shows that most learning takes deliberate practice (there are few “natural” economists)

STRATEGY: don’t give up. And most of all don’t confuse cognitive ease (“I feel like I “get it” in class) with mastery. Test yourself.

RESEARCH shows that memory building (especially the longer-term memory patterns we use to learn complex stuff) suffers when we multitask

STRATEGY: multitask as little as possible for the tasks you are serious about learning.

OFFICE HOURS
TR 4:00-5:30 in 03-438 plus
Supplemental Instruction (SI)
Fridays 12-2 in 03-104 plus
Friday Section Hours TBD

Feeling dazed or confused...

1. Come to my office hours in Room 438, OCOB. Many questions and issues can be easily resolved this way.
2. Attend the Supplemental Instruction Sessions
3. Attend the Section hours
4. Visit the Student Success Center for (free) tutoring (in Business building computer lab, 3rd floor)

HELPFUL RESOURCES:

- Boundless Economics (Economics Open Content) https://www.boundless.com/economics/
- Khan Academy videos http://www.khanacademy.org/
- Current events and interesting debates:
  - Krugman’s blog at http://krugman.blogs.nytimes.com/
  - The Big Think at http://bigthink.com/

Disability Resources

It is University policy to provide, on a flexible and individualized basis, reasonable accommodations to students who have disabilities that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact their instructor to discuss their individual needs for accommodations. The Disability Resource Center (DRC) is housed in Building 124, Room 119, and can be reached at (805) 756-1395
COURSE OUTLINE: (Active week-to-week course outline is posted on PolyLearn)

Introduction: Understanding the Economy and Real World Macro
   ❖ Ways of Thinking and Understanding the Economy (Behavior, Assumptions, Reasoning, & Modeling)
   ❖ Economic Inequality
   ❖ Making a Living: The World of Work
   ❖ Historical Underpinnings (weaved throughout the course)

Part I: The Consumer (C)
   ❖ Contemporary Consumption
   ❖ Consumer Culture
   ❖ Modeling Consumer Behavior
   ❖ The Role of Consumer Spending in the Economy
   ❖ The Consumption Function
   ❖ Analyzing Consumer Spending Data

Part II: Business Sector (I)
   ❖ Understanding Different Types of Businesses
   ❖ Role of (Real) Investment in Business
   ❖ Modeling (Real) Investment Spending
   ❖ Economy versus the Financial System
   ❖ Investment and Interest Rates
   ❖ Tracking Investment

Part III: Modeling the Macroeconomy (putting C and I in context)
   ❖ Expenditures Approach (C + I + G + NX)
   ❖ Aggregate Demand-Aggregate Supply (AD-AS)

MIDTERM Date TBD

Part IV: Economic Stability/Instability, and the Role of Government (G)
   ❖ Economic Stability: Self-Regulating Economy
   ❖ Economic Instability: Critique of Self-Regulating Economy
   ❖ AD-AS and Economic Policy: Adding Government (G)
   ❖ Fiscal Policy, Government Budget

Part V: Money, Banking and the Federal Reserve
   ❖ The Great Recession
   ❖ Money, Banking, and the Federal Reserve System
   ❖ Monetary Policy
   ❖ The Financial Crisis

Part VI: International Sector (NX)
   ❖ Globalization
   ❖ Adding NX to the Macroeconomic Model
   ❖ Exchange Rates

FINAL EXAM Thursday, June 11th @ 4-7 PM 03-213