Instructor: Dr. C. Battista
Office: Room #438, Bldg. 3 (OCOB) E-mail: cbattist@calpoly.edu
Office Hours: MON-THURS: 10-11 AM Phone: 6-1761

REQUIRED MATERIALS:
Internet Access: You will need regular access to the internet for Econportal readings, homework assignments, study guides plus materials on PolyLearn.

DESCRIPTION:
This course will provide you with an introduction to the workings of the macroeconomy as well as an introduction to the discipline of economics. It will also provide you with an understanding of the connection between the economy and the financial system. Finally, it will assist you in developing a skill set that will enable you to link theories/models with empirical data.

LEARNING OUTCOMES:
After completing this course, you should be able to:
1. Understand the basic structure of economic models.
3. Understand how to measure and model GDP, unemployment, inflation, and economic growth and why these economic indicators are important in discussing the performance of the economy.
4. Understand the distinctions and interactions between the financial system and the economy.
5. Discuss the roles of saving, investment, and the financial system in the performance of the economy.
6. Distinguish between fiscal and monetary policy and how each impacts the performance of the economy in the short- and long-run using both graphs and explanations.
7. Understand the distinctions and interactions between the financial system and the economy.
8. Analyze the pros and cons of policy decisions involving the economy.
EXPECTATIONS:
In this course you are expected to:

- Show up to class on a regular basis and be prepared to make a positive contribution to the learning environment.
- Study the assigned readings and take the pre-lecture quizzes before coming to class and be prepared to speak to both.
- Seek assistance when you need it.
- Begin to formulate your thinking and understanding of the empirical world in terms of economic models and theory.
- Begin to formulate your understanding of the validity of economic models and theories by examining real world data and trends.

EXAMINATIONS:
There will be three exams in this course, two during the regular term and one during the final exam period. Midterm Exams #1 and #2 will each comprise 25% of your final grade, and Final Exam #3 (comprehensive) will comprise 35% of your final grade.

HOMEWORK & BLOGS:
We will use Worth Publisher’s EconPortal for homework assignments. No late homework assignments are accepted. Due dates will be posted on the EconPortal. You will also be engaged in blog writing around current event issues. Blogs will be posted on PolyLearn. Blogs and HWs comprise 15% of your final grade.

HELPFUL RESOURCES:
- Class material: EconPortal tutorials
  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/

GRADE DISTRIBUTION:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percentage of Total Grade</th>
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<tbody>
<tr>
<td>Midterm #1</td>
<td>25%</td>
</tr>
<tr>
<td>Midterm #2</td>
<td>25%</td>
</tr>
<tr>
<td>Homeworks/Blogs</td>
<td>15%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
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**Please note that I do not grade on a point system since points for various assignments have different weights. Refer to the percentages above when calculating your grade for this course.**
 COURSE POLICIES

- All individuals must follow the course policies. There is no special treatment!
- Late assignments are not accepted! No exceptions!
- Missed assignments, posts, or discussions cannot be replaced. No exceptions!
- No laptop computers! No exceptions!
- **Electronics:** Please turn off your cell phone and other electronic devices prior to entering class. If you are found messaging, emailing, surfing, or using any electronic devices during class, you will be asked to leave and you will be required to meet with Adrienne Miller, Director of Student Rights and Responsibilities, before returning to class. She can be reached at 756-2784. If you cannot abide by this policy, you are invited to take this course from a different instructor later in your academic career.
- **Attendance:** Attendance is required for every student, whether enrolled or on the waitlist, for the first week of the term. If you do not attend, you will be dropped.
- **Basic Etiquette.** Come to class on time. Stay until the end. No talking, no sleeping, no reading. Do not start packing your belongings before class is over; the conclusions of lectures and discussions are often the most important parts!
- I do not discuss grading via email. Please come to Office Hours if you do not understand the grading criterion used.
- If you have any disagreements about a grade, please outline your position in writing.
- **Cheating:** It is understood that cheating and plagiarism will not be tolerated. As per Cal Poly policy (CAM Section 684) “The penalty for cheating requires an “F” course grade and further attendance in the course is prohibited.” In addition, multiple instances of cheating may be permanently recorded in your grade record.

**Students requiring assistance:** If you believe you may qualify for assistance from the Cal Poly DRC (Disability Resource Center) please contact them as soon as possible at http://drc.calpoly.edu or 756-1395.

COURSE OUTLINE (follows):
Course Outline

Part I: Understanding the Macroeconomy: An Introductory Overview

Historical Underpinnings (read Heilbroner Chapters 1-2, posted on PolyLearn)
  ❖ Chapter 6: Macroeconomics: the Big Picture
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz

Tracking and Measuring the Macroeconomy:
  ❖ Chapter 7: Circular Flow (also pp. 37-38), GDP, and CPI
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 8: Unemployment and Inflation
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 6: Business Cycle (pp. 169-174)
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 9 (pp. 246-256): Sources of Growth
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 10: Intro to the Financial System (sections 10.2 and 10.3 only)
  ❖ Intro to the Financial Crisis (Ball and Mishkin readings, posted on PolyLearn)

MIDTERM #1 (Multiple Choice)

Part II: Modeling the Macroeconomy

  ❖ Chapter 11: Income-Expenditure Model
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 12: AD-AS Model: Aggregate Demand and Aggregate Supply
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Chapter 18 (pp. 525-536): Classical vs. Keynes: Self-Regulating?
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Arnold: Economic Instability: Critique of Self-Regulating Economy (PolyLearn)
  ❖ Chapter 13: Fiscal Policy, the Budget +Taxes and the Multiplier (appendix)
    o Pre-Lecture Quiz (Learning Curve)
    o Post-Lecture Quiz
  ❖ Bernanke, DeLong: The Great Recession (PolyLearn)

MIDTERM #2 (Graph, Explain, Problem)
Part II: Money, Banking and the Fed

Chapter 14: Money, Banking, and the Federal Reserve System
  o Pre-Lecture Quiz (Learning Curve)
  o Post-Lecture Quiz

Chapter 15: Monetary Policy
  o Pre-Lecture Quiz (Learning Curve)
  o Post-Lecture Quiz

Chapter 16: Inflation, Disinflation and Deflation
  o Pre-Lecture Quiz (Learning Curve)
  o Post-Lecture Quiz

Chapter 17: Financial Crisis and Great Recession
  o Pre-Lecture Quiz (Learning Curve)
  o Post-Lecture Quiz

Chapter 18: Classical and New Classical Macro and Real Business Cycles
  o Pre-Lecture Quiz (Learning Curve)
  o Post-Lecture Quiz

COMPREHENSIVE FINAL EXAM (Friday, December 7th)