ECON 5110-01 Syllabus

Course Title: Domestic & Global Economies

Course Description: The domestic and global economic environment of business and its impact on managerial planning and decision making. The determinants of business cycles, inflation, unemployment, interest rates, and exchange rates. The effect of economic events and policies on industries and firms. Prereq: math proficiency, ECON 5105 (formerly MBA 506)

Hours and Location: Tuesday 6:00 – 8:40 p.m. 
Pigott 101

Office Hours: Tuesday 4:00 -5:45 p.m. and by appointment

Required Textbook:


Exams: Exams are given in class on the scheduled exam dates. The instructor will not give makeup or early exam unless in the case of an emergency. Legal documentation must be presented to the instructor for verification, and makeup exam must be completed within one week after the scheduled exam date.

Exam no. 1 – Chapters 2, 3, 6, 8, and articles: Tues 4/28
Exam no. 2 – Chapters 5, 11, 12, and articles: Tues 6/9

Group homework assignments: Selected problems and applications at the end of each chapter are assigned as group homework assignments. Group homework assignments will be conducted in groups of 3 to 4 students (no credits for individual work). There will be no makeup group assignments.

Class activities: Students will have in-class activities to discuss current macroeconomic events. Class activities will be conducted in groups of 3 to 4 students (no credits for individual work). There will be no makeup class activities.

Final group project presentation: Students are required to work in groups of 3-4 to complete the project analyzing macroeconomics indicators of a country. We will have a total of 8 groups: 4 groups will do the presentations on developed countries, and 4 groups will do the presentations on developing countries. Each group will present the project on
a scheduled date. All students are **required** to attend and present their project and to evaluate other projects. Each presentation is 30 minutes (20 minutes for presentation and 10 minutes for Q&A). The presentation should summarize all the essential findings of the project. The emphasis of the project is on **analysis** rather than **description**. With this in mind, students must provide a data analysis using relevant methodology and supporting evidence using the World Bank’s World Development Indicators. Students will share a single grade with their group.

**Final Group Project Presentation I (4 groups): Tues 5/26**
**Final Group Project Presentation II (4 groups): Tues 6/2**

**Grading Criteria:** Your quarter grade is determined by your performance as follows.

- Exam no. 1: 30%
- Exam no. 2: 30%
- Final group project presentation: 20%
- Group homework assignments: 10%
- In-class activities: 10%

**Class Grade:** Letter grades are assigned as follows.

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<th>Points</th>
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<td>95-100</td>
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<td>90-94</td>
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**Important Announcements:**

1. The instructor will post a weekly class announcement on Canvas. Please follow the announcement and plan accordingly.

2. The instructor is not responsible for dropping enrolled students. Students are obligated to officially withdraw even though they have not attended classes. Students who fail to officially withdraw are subject to a failing grade in the course. The last day to withdraw is **Friday, May 15, 2015**.
The instructor places a high value on class attendance. Undoubtedly you will too in order to take full advantage of the lecture material. If you must be absent from class, you are responsible for missed lecture, announcements, handouts, and any due assignments. Students are responsible to follow all the announcements post on my website at the beginning of the week.

The final exam period is considered to be part of the contact hours necessary for a student to receive academic credit for a course. All students have to take the final exam on the scheduled date. The instructor will not give early exam before or make-up exam after the final exam period. If you can not commit to take the final exam on the scheduled exam date, please consider dropping the class. Please do not make any early travel arrangements on the scheduled final exam date.

Given the complexity of the material, it will be impossible to cover every detail in the chapters. Lectures will cover those essential issues that the instructor believes important to a general understanding of macroeconomics.

If you have, or think you may have, a disability (including an ‘invisible disability’ such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff in the Learning Center, Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

Seattle University is committed to the principle that academic honesty and integrity are important values in the educational process. Academic dishonesty in any form is a serious offense against the academic community. Acts of academic dishonesty will be addressed according to the Seattle University Academic Honesty Policy. If you are not sure whether a particular action is acceptable according to the Academic Honesty Policy, you should check with your instructor before engaging in it.

**Tentative Readings:** Students are encouraged to read the assigned chapter before coming to class to participate in discussion.

**Week 1: Tues 3/31**
- Chapter 2: The Data of Macroeconomics
  - Gross Domestic Product
  - Measuring the Cost of Living: CPI
  - The Unemployment Rate

**Week 2: Tues 4/7**
- Chapter 3: National Income: Where It Comes From and Where It Goes
  - What determines the total production of goods and services?
  - How is national income distributed to the factors of production?
  - What determines the demand for goods and services
  - What brings the supply and demand for goods and services into equilibrium?
Week 3: Tues 4/14
  Chapter 6: The Open Economy
  - The international flows of capital and goods
  - Saving and investment in a small open economy
  - Exchange rates
  - Balance of payments

Week 4: Tues 4/21
  Chapter 8: Economic Growth I: The Solow Model
  - The accumulation of capital
  - The Golden Rule level of capital
  - Population growth

Week 5: Tues 4/28
  - Exam no. 1: Chapters 2, 3, 6, 8, and articles

Week 6: Tues 5/5
  Chapter 5: Inflation: Its Causes, Effects, and Social Costs
  - The quantity theory of money
  - Money supply and money demand
  - Inflation and interest rate

Week 7: Tues 5/12
  Chapter 11: Aggregate Demand I: IS-LM Model
  - The good market and the IS curve
  - The money market and the LM curve
  - The Short-run equilibrium

Week 8: Tues 5/19
  Chapter 12: Aggregate Demand II: Application of the IS-LM Model
  - Explaining fluctuations with the IS-LM model
  - Fiscal policy and the IS curve
  - Monetary policy and the LM curve
  - The interaction between monetary and fiscal policy

Week 9: Tues 5/26
  - Final Group Project Presentation I: 4 groups

Week 10: Tues 6/2
  - Final Group Project Presentation II: 4 groups

Week 11: Tues 6/9 6-7:50 p.m.
  - Exam no. 2: Chapters 5, 11, 12, and articles