

## ECFI 202: PRINCIPLES OF MACROECONOMICS Spring 2007

---

**Instructor:** Dr. Dosse Toulaboe  
**Office:** McCartney 203F  
**Phone:** (785) 628-5868  
**E-Mail:** [dtoulabo@fhsu.edu](mailto:dtoulabo@fhsu.edu)  
**Office Hours:** MWF: 9:30-10:20 and 11:30-12:20; TT: 9:00-10:20 (Other times by appointment)

---

### **Course Description:**

An introductory study of factors that determine U.S. unemployment, production, growth, interest and inflation rates; basic theories of consumption and investment expenditures; the effects of discretionary fiscal and monetary policies on the national economy.

### **Objective of the Course:**

Students who have successfully completed Principles of Macroeconomics are expected to understand 1) the major goals of macroeconomic performance, such as low inflation, high productivity growth, equitable income distribution, high per capita GDP, and low unemployment; 2) the construction of economic variables by which these goals can be measured, such as price indexes, national income and product accounting, unemployment rates, and inflation rates; 3) benchmarks for judging economic performance, such as long-term secular growth rates of 3-3.5 percentages annually and 5.5 percentages unemployment rates for full employment; 4) interactions among important variables during economic fluctuations, such as the lower interest rates and currency appreciation that usually accompany recessions; 5) the workings of major economic models, and the conditions under which each is relevant; 6) the response of important economic variables to policy changes and exogenous shocks; and 7) the proper uses of fiscal and monetary policies under different economic regimes in order to more closely approach desirable social goals.

### **Testing and Performance Evaluation:**

- **Tests:** There will be four tests (including a comprehensive final exam).
- **Quizzes and Assignments:** Quizzes and assignments will be given periodically (at times scheduled during class meetings). There will be no make-ups for missed quizzes and assignments, and no late assignment will be accepted.

Test 1:	100
Test 2:	100
Test 3:	100
Test 4 (Comprehensive Final)	150
Quizzes and Assignments	150
TOTAL	600

### **Grading Scale:**

90% -100%:	A
80% -89%:	B
70% -79%:	C
60% -69%:	D
Less than 60%:	U

**Make-up Examinations:** Make-ups are given **only with prior notification and approval** or if there is an **emergency**. **Valid** excuses include serious illness or a death in the family. As your instructor, I reserve the right to contact those who can verify your excuse. I do not consider such things as other tests or not being prepared as valid excuses. If a test is missed without prior notice and approval, then a score of “0” will be recorded for the missed test.

**Class Attendance: (Required)** I expect you to attend class regularly. You are responsible for all assigned readings, handouts, as well as the material covered in class. Class participation is highly recommended.

**Drop Policy:** The Official FHSU policy will be followed.

**Textbook and Reading Lists:**

Textbook (Required): **Macroeconomics**; by Roger A. Arnold; Thomson/Southwestern; 7<sup>th</sup> Edition.

Study Guide (Recommended): **Macroeconomics**; by Roger A. Arnold; Thomson/Southwestern; 7<sup>th</sup> Edition.

<b><u>TOPICS</u></b>	<b><u>CHAPTERS</u></b>
What Economics is About	1
Working with Diagrams	Appendix A
Economic Activities: Producing and Trading	2
Supply and Demand	3
<b>Test 1</b>	
Macroeconomic Measurements: Prices and Unemployment	5
Macroeconomic Measurements: GDP and Real GDP	6
Aggregate Demand and Aggregate Supply	7
The Self-Regulating Economy	8
<b>Test 2</b>	
Economic Instability: A Critic of the Self-Regulating Economy	9
The Federal Budget and Fiscal Policy	10
Money and Banking	11
The Federal Reserve System	12
<b>Test 3</b>	
Money and the Economy	13
Monetary Policy	14
Expectations Theory and the Economy	15
Economic Growth: Resources and Technology	16
International Economics	17 and 18
<b>Test 4 (Comprehensive Final Exam)</b>	