

SCHOOL OF BUSINESS AND NONPROFIT MANAGEMENT
SBNM 5210 – MACROECONOMICS
FALL 2009

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OFFICE HOURS: By appointment

COURSE DESCRIPTION:

Macroeconomics studies the determinants of national income, output, employment, and the price level. Included in the study are the determinants of economic growth, inflation and recession, aggregate supply and aggregate demand, employment and unemployment, the determination of interest rates, and the demand for and supply of money. Economists and business managers are able to make accurate predictions and develop more effective economic policy. Macroeconomic stabilization policies are formulated based on an analysis of problems facing the economy. Both fiscal policy and monetary policy focus on keeping the economy on a path of steady growth and stable prices. Fiscal policy uses spending and taxes to move the economy in the desired direction, while monetary policy relies on changes in the money supply and interest rates.

Business decisions are influenced by the macroeconomy. Changes in income levels, growth rates, the price level, and the movement of interest rates all have an important affect on the functioning of businesses. It is vital to understand the impact of changes in the macroeconomy on their day-to-day business operations. Resource allocation, production, and distribution must be understood by business managers in the context of the conditions prevailing as well as anticipated in the economic system.

LEARNING OBJECTIVES:

By the end of the course, students should be able to:

1. Describe how scarcity and efficiency pervade economic thinking
2. Recognize and respond to the critical production and distribution queries that face every economy and answer the questions specifically from the market perspective
3. Evaluate how economic changes affect supply and demand
4. Report on the elements of fiscal policy
5. Analyze and detail the components of gross domestic product (GDP) and discuss the levels key economic metrics over in the US since 1929
6. Discriminate between each variable that influences economic growth and estimate the methods in which these variables could be stimulated
7. Describe how interest rate levels and changes in interest rates influence both consumer spending and savings behaviors
8. Compile a series of factors, inputs and trends which affect price levels of both consumer and producer products
9. Summarize the role of the Federal Reserve Board and the Federal Open Market Committee (FOMC) and describe actions which define and influence monetary policy
10. List and evaluate the different mechanisms available to alter the monetary supply
11. Deconstruct the unemployment rate, describe the characteristics of each subcomponent and discuss the levels of GDP of selected global leaders
12. Synthesize all components of macroeconomics in order to describe current policy and formulate suggestions for new policies to achieve economic goals

REQUIRED TEXT:

Frank & Bernanke, Principles of Economics, 4th edition, McGraw-Hill / Irwin, ISBN: 9780073402888.

COURSE OUTLINE¹:

Week	Topic	Content	Deliverables
1	Baseline Economic Theory	Ch1 – Thinking Like and Economist Ch2 – Comparative Advantage Ch3 – Supply & Demand http://rfe.org/ - Resources of Economists	
2	Gross Domestic Product	Ch4 – Spending, Income & GDP Ch11 – Spending and Output in the Short Run http://origin.www.gpoaccess.gov/usbudget/index.html - Budget of the Government of the United States	Essay 1
3	Economic Growth	Ch7 – Economic Growth Ch10 – Short-Term Economic Fluctuations http://www.bea.gov/ - Bureau of Economic Analysis	Essay 2
4	Price Levels	Ch5 – Inflation and the Price Level http://www.bls.gov/bls/inflation.htm - Bureau of Labor Statistics	Essay 3
5	The Role of Banking	Ch9 – The Financial System, Money and Prices http://www.federalreserve.gov/fomc/ - Federal Reserve Board, Federal Open Market Committee	Essay 4
6	Unemployment	Ch6 – Wages and Unemployment http://www.oecd.org/ - Organisation for Economic Co-operation and Development	Essay 5
7	Macroeconomics & Policy	Ch 12 – Stabilizing The Economy: The Role of the Federal Reserve Ch 13 – Aggregate demand, Aggregate supply and Macroeconomic policy http://nobelprize.org/nobel_prizes/economics/ - Noble Prize	Essay 6

¹Course Outline is subject to change during the course of the semester. Make sure you are working off of the most updated version at all times.

GRADING POLICY:

Deliverable Weights

Weekly Essays (6)	90%
Class Participation	10%

Deliverable Descriptions

The weekly essays will be written assignments that are due at the beginning of the class. The required length is 500 to 1000 words, or about one and one half to three pages in length. Each week, based on the content in the text as well as the websites supplied, students are expected to research a topic or question in which they are interested.

Think about each weekly essay as an opportunity to teach your classmates something about economics that you were interested in and therefore researched. Each website is rich with information and especially data. If you spend some time working around each site, you are destined to come across something of interest. Note your findings and the exact source. Then, attempt to bring them into the context of the week's topic.

We will spend a portion of each week's class discussing our findings together. You should be prepared to present an executive summary of your findings to your classmates. Additionally, you should be prepared to ask questions of your peers in order to stimulate further discussion. Your ability to be an active participant and discussion leader will be the primary determinant of your class participation grade.

Grading Conditions

All written submissions, particularly the research project, will be graded based on:

1. Content – the accuracy and representation of the appropriate knowledge and descriptors in context for the course
2. Organization – the logical selection and presentation of a written format that articulates a lucid and logical explanation of ideas
3. Grammar – the quality of the document relative to its spelling, grammar, punctuation and word choice.
4. Style – the creative element of writing which gives the document a certain professionally-appropriate differentiated readability

Assignments cannot be made up unless prior permission is obtained.

Extra credit is not available at any time in this course.

Grade Determination²

≥ 91	A
= 90	A-
= 89	B+
≥ 81	B
= 80	B-
= 79	C+
≥ 71	C
= 70	C-
= 69	D+
≥ 61	D
= 60	D-
<59	F

²*The final grading scale may be adjusted depending upon aggregate performance. Any deviations will be announced before final course grades are assigned.*

The detailed components of your grade will always be posted to Blackboard. It is your responsibility to audit regularly for accuracy and to request corrections. Final grades will be made available within a week upon the completion of the course and are found in WebAdvisor.

All grades are final and not subject to debate.

POLICY ON ATTENDANCE

Attendance and participation are vital; thus, students are expected to attend every session. On time arrival is expected. Tardiness is highly undesirable. This course has a strict policy of documented, advance notification. If unable to attend any session, please inform me, preferably via email, prior to that session. You need not provide a reason for your absence. In the business world, you would never miss a meeting without prior notice; and, if you did you could be terminated from your job. I expect you to apply that same courtesy to us and our class and I will expect you to make every effort to adhere to this policy. Failure to provide advance notification will be considered an unexcused absence.

In the event of excessive unexcused absences or excessive instances of tardiness, I reserve the right to lower your grade up to one full letter grade.

I take this policy very seriously and encourage you to do likewise.

In the event you cannot make class, regardless of the reason, you are to:

1. Check the syllabus
2. Confer with a classmate
3. Check BlackBoard
4. Research the missed content online
5. Come to office hours or make an appointment to discuss

A student who misses three classes will automatically fail the course, unless the student drops the course before the seventh week of class. Students who drop a course will be held responsible for tuition, based upon the current North Park University policy outlined in the University Catalog

POLICY ON COMMUNICATIONS

Communication skills are a major part of your development. As this course is in the School of Business and Nonprofit Management, I expect our email exchanges to reflect professional business communications. Therefore, every communication you send should be highly professional and 'client-ready.' This means formatted and edited for 100% accuracy in spelling, grammar, punctuation, and word choice. I will not respond to any email that is not completely accurate.

I check email regularly and late into the evening. If I do not respond within one business day, you may take my lack of response as your responsibility to edit and resend your communication. This policy is strictly enforced.

When authoring an email, please use an appropriate subject which is indicative of the contents of the message, for example, "Impending Absence, October 23." Your primary point of reference is this syllabus. Please read it in detail before approaching me with queries whose answers it contains. Please do not be offended if my response to your inquiry is, "Please refer to the syllabus." BlackBoard and fellow classmates are also good sources for basic questions.

When contacting me, my preferences are:

1. Email at any time
2. Office hours or make a face-to-face appointment
3. Voicemail message

For substantive communications, please see me in my office or make a special appointment in order to discuss in person. Additionally, as a follow up, it is your responsibility to document and send to me by email all significant arrangements and agreements made. I seldom recollect things said to me orally, so please follow up all significant exchanges with an email backup.

POLICY ON TECHNOLOGY TOOLS

All students are expected to check their North Park emails regularly (outside accounts such as Hotmail and Gmail are often sent into a spam folder). I send significant information via email and expect all students to have read them. If you do not use your North Park email address, please make sure email is being forwarded properly.

All students are expected to access BlackBoard. All grades and critical directions for assignments will be posted there. This is the official register for all grade-related issues. Check and audit grades regularly.

POLICY ON ETHICS

In keeping with our Christian heritage and commitment, North Park University and the School of Business and Nonprofit Management are committed to the highest possible ethical and moral standards. Just as we will constantly strive to live up to these high standards, we expect our students to do the same. To that end, cheating of any sort will not be tolerated. Students who are discovered cheating are subject to discipline up to and including failure of a course and expulsion.

Our definition of cheating includes but is not limited to:

1. Plagiarism – the use of another’s work as one’s own without giving credit to the individual. This includes using materials from the Internet.
2. Copying another’s answers on an examination.
3. Deliberately allowing another to copy one’s answers or work.
4. Signing an attendance roster for another who is not present.

In the special instance of group work, the instructor will make clear his/her expectations with respect to individual vs. collaborative work. A violation of these expectations may be considered cheating as well.

For further information on this subject you may refer to the Academic Dishonesty section of the University’s online catalog.

In conclusion, it is our mission to prepare each student for a life of significance and service. Honesty and ethical behavior are the foundation upon which such lives are built. We therefore expect the highest standards of each student in this regard.

STUDENTS WITH DISABILITIES

Students with disabilities who believe that they may need accommodations in this class are encouraged to contact the Center for Academic Services at 773-244-5737, advising@northpark.edu or stop by the office located on the 2nd floor of the Student Services Building. Please do so as soon as possible to better ensure that such accommodations are implemented in a timely manner. For further information please review the following website: <http://www.northpark.edu/ada>.

Accommodations for disabilities must be made prior to exams or to assignments.