

**Macroeconomics
Economics 232—05
Honors
Spring 2007**

Professor: Dr. James Ullmer
Office: Forsyth 226
Office Phone: 227-3762
Office Hours: T, R 8:30 – 9:30 AM: 3:30 – 4:30 PM
W 1:00 – 5:00 PM — or by Appointment
E-mail: ullmer@wcu.edu
Web Page: <http://paws.wcu.edu/ullmer>

Required Text: *Macroeconomics*, 16th edition, McConnell and Brue.
Optional: *Study Guide to accompany Macroeconomics*, 16th edition,
Bingham and Walstad.

Important new website for Majors and Minors in Economics: www.vanderbilt.edu/AEA/students

Macroeconomics is an interesting and dynamic subject. To fully appreciate its importance, students should not only study the text, but should become familiar with publications such as the *Wall Street Journal* and *Barron's*. These particular publications are especially appropriate for dealing with current economic issues pertinent to the topics that we will be covering in class. Some of the topics that we will examine in class are: supply and demand, the national income accounts, unemployment and inflation, the national debt, business cycles, fiscal policy, money and the commercial banking system, the Federal Reserve System, monetary policy, supply side economics, and international trade.

STUDENTS WITH DISABILITIES: Western Carolina University makes every effort to provide appropriate accommodations for students with documented disabilities in accordance with the Americans with Disabilities Act. To receive academic accommodations, students must be registered with the office of Student Services (contact Carol Mellen at 227-7127, Graham Bldg.). The documentation received from Student Support Services should be presented to the instructor as soon as possible so that special arrangements can be made.

ATTENDANCE POLICY: Every student is expected to attend each class meeting. Students will find successful completion of the course to be much easier with regular attendance. Moreover, it is hoped that you will find the opportunity cost of non-attendance to be greater than the opportunity cost of attendance.

EXAM POLICY: Exams MUST be taken at the scheduled times. Make-up exams will be scheduled for university-authorized absences. The reason for the absence must be documented. Any necessary make-ups will be given on the last day of class.

GRADING: The course grade will be determined on a cumulative total-point basis. Each exam will be worth 30 points for a total of 120 points.

| | | |
|--------------|---|---------|
| 87.5% - 100% | A | 105-120 |
| 75% - 87.4% | B | 90-104 |
| 60% -74% | C | 72- 89 |
| 50% - 60% | D | 60 -71 |
| < 50% | F | < 60 |

“...the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood ... Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slave of some defunct economists. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back.”

John Maynard Keynes, *The General Theory of Employment, Interest and Money*, 1936.

COURSE OUTLINE:

PART I

- Chapter 1: The Nature and Method of Economics
 - Chapter 3: Individual Markets: Demand and Supply
 - Chapter 5: The U. S. Economy: Private and Public Sectors
 - Chapter 6: The United States in the Global Economy
- EXAM I: February 1

PART II

- Chapter 7: Measuring Domestic Output and National Income
 - Chapter 8: Introduction to Economic Growth and Instability
 - Chapter 9: Basic Macroeconomic Relationships
 - Chapter 10: The Aggregate Expenditures Model (pp. 172-177)
- EXAM II: February 27

PART III

- Chapter 11: Aggregate Demand and Aggregate Supply
 - Chapter 12: Fiscal Policy
 - Chapter 13: Money and Banking
 - Chapter 14: How Banks and Thrifts Create Money
- EXAM III: March 29

PART IV

- Chapter 15: Monetary Policy
 - Chapter 18: Deficits, Surpluses, and the Public Debt
 - Chapter 6: The United States in the Global Economy
 - Chapter 19: Disputes over Macro Theory and Policy
- EXAM IV: Monday, April 30, 12:00 – 2:30 PM

Suggested Readings

- Busholtz, Todd G. 1988. *New Ideas from Dead Economists*. New York: Penguin.
- Canterberry, Ray. 1995. *The Literate Economist*. New York: Harper Collins.
- Friedman, Milton. 1962. *Capitalism and Freedom*. Chicago: University of Chicago Press.
- Friedman, Milton. 1980. *Free to Choose*. New York: Harcourt, Brace, Jovanovich, Inc.
- Friedman, Milton and Schwartz, Anna Jacobsen. 1963. *A Monetary History of the United States, 1876-1960*. Princeton: Princeton University Press.
- Greider, William. 1987. *Secrets of the Temple*. New York: Simon and Schuster, Inc.
- Heilbroner, Robert L. 1992. *The Worldly Philosophers: The Lives, Times, and Ideas of the Great Economic Thinkers*, 6th edition. New York: Simon and Schuster, Inc. [1962].
- Heilbroner, Robert L. and Thurow, Lester C. 1982. *Economics Explained*. New York: Simon and Schuster, Inc.
- Keynes, John Maynard. 1936. *The General Theory of Employment, Interest and Money*. New York: Harcourt, Brace and Company.
- Mayer, Martin. 2002. *The FED*. New York: Plume.
- Skidelsky, Robert. 1986. *John Maynard Keynes: Hopes Betrayed, 1883-1920*. New York: Penguin Books.
- Skidelsky, Robert. 1992. *John Maynard Keynes: The Economist as Savior, 1920-1937*. New York: Penguin Books.
- Skidelsky, Robert. 2001. *John Maynard Keynes: Fighting for Britain: 1937-1946*. New York: Penguin Books.
- Thurow, Lester. 1985. *Zero Sum Society: Building a World Class American Economy*. New York: Simon and Schuster, Inc.

Serendipity Shelf

- Guralnick, Peter. 1994. *Last Train To Memphis*. Boston: Little, Brown and Company.
- Guralnick, Peter. 1999. *Careless Love*. Boston: Back Bay Books.
- Maraniss, David. 1999. *When Pride Still Mattered*. New York: Simon and Schuster.