ECON 1040—Principles of Macroeconomics
Three Semester Hours

PREREQUISITES:
University Requisite: Math placement level 2 or higher, or C or better in MATH 1200

COURSE OVERVIEW:
Basic theory of national income analysis. Causes of unemployment and inflation. Monetary and fiscal policies of the federal government.

METHODS OF COURSE INSTRUCTION:
All material for this course is print-based. Instructor and students communicate and exchange materials through postal mail.

E-PRINT OPTION:
In this course, an option exists to use e-mail to submit your lesson assignments. Your assignment will be returned to you either as an e-mail attachment or as a hard copy sent through the postal mail, depending on the preferences of the instructor and/or program.

TEXTBOOKS AND SUPPLIES:

OR

Although chapter numbers may differ, the chapter reading assignments from these two books are identical. (If you intend to enroll in Economics 1030, Microeconomics, through eLearning OHIO and you want to save some money on both books, you may purchase the complete Economics text for both courses.)

Optional:
Some students may find William Walstad’s *Study Guide for Macroeconomics*, 19th ed., New York: McGraw-Hill, 2012, [ISBN: 9780077660642] helpful for testing their knowledge of a chapter’s concepts with three graded multiple-choice quizzes per chapter and as an aid to study. The course, however, is designed to be taken with the Ohio University course guide and the textbook as the only required materials.
OR
If you intend to enroll in Economics 1030, Microeconomics, through eLearning OHIO, Study Guide for Economics corresponds with the Economics textbook mentioned above:


**Other:** You will be allowed to use a basic business calculator during the examinations, and you are encouraged to use one in completing your assignments.

**NUMBER OF LESSONS:**

The course has 18 lessons, including two midcourse examinations and a final examination. The topics include:

- Lesson 1: An Introduction to Macroeconomics
- Lesson 2: Measuring Domestic Output and National Income
- Lesson 3: Basic Macroeconomic Relationships
- Lesson 4: Aggregate Demand and Aggregate Supply
- Lesson 5: Fiscal Policy, Deficits, and Debt
- Lesson 6: Extending the Analysis of Aggregate Supply
- Lesson 7: First Midcourse Examination Information
- Lesson 8: Money, Banking, and Financial Institutions
- Lesson 9: Money Creation
- Lesson 10: Interest Rates and Monetary Policy
- Lesson 11: Financial Economics
- Lesson 12: Current Issues in Macro Theory and Policy
- Lesson 13: Second Midcourse Examination Information
- Lesson 14: International Trade
- Lesson 15: The Balance of Payments, Exchange Rate, and Trade Deficits under Several International Exchange Rate Systems
- Lesson 16: Economic Growth
- Lesson 17: The Economics of Developing Countries
- Lesson 18: Final Examination Information

**TYPES OF WRITING ASSIGNMENTS:**

**Writing an Assignment**

Each lesson contains a writing assignment, including McGraw-Hill problems, multiple-choice questions, and essay questions. The McGraw-Hill problems require, for example, for the most part, many computations. Use a calculator.
Self-Graded Lessons

Lessons 6, 12, and 17 are self-graded lessons. You should do them just like the other lessons—namely after you have read and perhaps reread the relevant chapters, and studied the notes. After completing the lesson—doing multiple-choice questions, McGraw-Hill problems and essay sections—you should grade the lesson entirely like I do, using the marking key in Appendix B of this manual. You will then submit your entire (graded) assignment to me. I will grade “your grading” with an S–, S, or S+. This does not affect your grade in the course but gives you an indication of your ability to criticize yourself objectively (a very important aspect).

GRADING CRITERIA:

There will be two midcourse examinations (Lessons 7 and 13). The first test covers Lessons 1–6 and the second, Lessons 8–12. The final examination (Lesson 18) is comprehensive and covers Lessons 1–17, but will be more heavily weighted to Lessons 14–17. The weights for the first, second, and final examinations are 15 percent, 15 percent, and 25 percent respectively. The remaining 45 percent is for the submitted lesson assignments, which the instructor grades.

Each midcourse examination will be comprised of 50 multiple-choice questions, two McGraw-Hill problems, and three essay questions (problems). The final exam contains 60 multiple-choice questions, three McGraw-Hill problems, and four essay questions. Each of these three components will be weighted as 1/3 of your examination grade. The examinations will be graded like the writing assignments.