

Economics 1001—1: Principles of Macroeconomics

INSTRUCTOR INFORMATION

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PLNU MISSION: *To Teach ~ To Shape ~ To Send*

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service becomes an expression of faith. Being of Wesleyan heritage, we aspire to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.

GE Mission Statement: PLNU provides a foundational course of study in the liberal arts informed by the life, death, and resurrection of Jesus Christ. In keeping with the Wesleyan tradition, the curriculum equips students with a broad range of knowledge and skills within and across disciplines to enrich major study, lifelong learning, and vocational service as Christ-like participants in the world's diverse societies and culture.

FSB Mission Statement: To provide the world, business leaders who demonstrate Christ-like Character.

FSB Motto: More than the bottom line: Business Education to Change the World

FSB Core Values

1. Academic Excellence
2. Integrated Values
3. Active Engagement

My Office Hours: *Mondays and Wednesdays* from 7:00AM—7:45AM

CLASSROOM: FSB ROOM 101

Weekly Class Sessions: MWF [8:30am - 9:25am]

There is help at the Tutorial Center. Go to the Bond Academic Center if you desire to gain access to this help. In this course, our primary focus will be on the basic introduction to economic theory. Throughout the whole semester we will concentrate our time and effort on understanding the functioning of the Macroeconomy through changes in Aggregate Demand (AD), Aggregate Supply (AS) Analysis; the Role of Federal Government Leaders in Macroeconomic Stabilization Policies; and the Federal Reserve Leaders in the areas of Money; Banking; and Monetary Policies. We will learn about the Macroeconomic Variable [i.e., Gross Domestic Product (GDP); the General Price Level (P) and Inflation; and Unemployment (i.e., the Unemployment Rate); and International Trade (Exports and Imports).

Welcome to Economics 1001: Principles of Macroeconomics

It is with great delight I write to welcome you into Economics 1001 class this Spring Semester. Everything you need to know and become familiar with regarding this course is posted on Canvas for your convenience. Please take some time to become familiar with the Course Outline prior to our first-class session. Obtain the Course Textbook Online through the Publisher—BVT @: <https://www.bvtpublishing.com/contact> and/or through the PLNU Common Knowledge Bookstore. The course reading materials from the PLNU Common Knowledge Bookstore or directly from the Publisher—BVT. Supplementary course materials are drawn from YouTube Videos as well as Newspapers and Magazines.

COURSE DESCRIPTION AND SYLLABUS

This course provides an understanding of fundamental principles governing production, distribution, and exchange of wealth with emphasis on current economic problems, for business

majors. Topics include national income determination, fiscal policy, monetary policy, economic stabilization policy, international linkages, balance of payment issues, exchange rate determination and international trade. It is an introduction to the main principles of Macroeconomics. As a principles course, the emphasis is placed primarily on aggregate economic behavior and analysis. I expect that our journey together through this course will lead every student to develop adequate knowledge in principles of Macroeconomics, Spiritual Capital, Moral Capital, Aesthetic Capital, Human Capital, Human Abilities, and the Human Potential (and their implications for moral reasoning action; personal growth; and economic performance).

REQUIRED TEXTBOOK

Adjibolosoo, S. 2017. *Principles of Macroeconomics at a Glance*. Reading, CA: BVT Publishing.

REQUIRED SUPPLEMENTARY READING MATERIALS

Review Some Key Concepts of the Human Factor Theory and Its Significance in the following:
[Adjibolosoo, S. 2013. “Propelling Prosperity and Human Flourishing: Contributions of Free Market Scholars to Economic Development Literature.” \(Links to an external site.\)](#)
[Links to an external site \(Links to an external site.\)](#)

| Weeks | WEEKS—CHAPTERS—TOPICS | PAGE NUMBERS |
|--------------|--|--|
| WK-1 | <p>January 14 - 17: Economics: Science of Exchange Week 1-1: Economics: Human Life: Economics and Business Activities</p> | 1-10 |
| | <p>Week 1: 2: January 15: Human Life: Economic and Business Activities and the Human Factor: Its Meaning, Dimensions, and Significance Week 1: 3: The Human Factor & Key Concepts</p> | <p>6-8; 35; 78; 162-164; 167; 175-184</p> |
| WK-2 | <p>January 20-24: The Structure of Economic Theory: Choice and Exchange Week 2: 1: Dr. Martin Luther King Jr.’s Holiday</p> | 11-22 |
| | <p>Week 2-2: The Method of Economics Analysis & Theorizing: The Scientific Method</p> | 14-19 |

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| | Week 2-3: The Production Possibility Frontier | 19-22 |
| | January 27-31: Market Forces @Work | 23 - 44 |
| WK- 3 | Week 3-1: Introduction to Demand and Supply Analyses | 23-33 |
| | Week 3-2: Market Forces @ Work: Demand & Supply-1 | 33-35 |
| | Week 3-3: Market Forces @ Work: Demand & Supply-2 | 36-44 |
| | February 3-7: Chapter 4: Elements of Macroeconomics. | |
| WK- 4 | Week 4-1: Macroeconomics Elements: GDP; Prices; Employment/Unemployment. | 45-52 |
| WK- 5 | February 10-14: Circular Flow of Income & Expenditure | 53 - 57 |
| WK- 6 | February 17-21: The Aggregate Demand (AD) & Aggregate Supply (AS) Model | 59-66 |
| | 1. General Laws of Aggregate Demand (AD) | 59-60 |
| | 2. The Aggregate Demand (AD) Curve | 60-61 |
| | 3. Determinants of Aggregate Demand (AD) | 62 |
| | 4. The General Laws of Aggregate Supply (AS) | 61-63 |
| | 5. The General Long-Term Macroeconomic Equilibrium | 64-65 |
| WK-7 | February 24-28: Keynesian-Income-Expenditure Model | 67-81 |

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| 1. The Keynesian Perspective on the Aggregate Supply (AS) Curve | 67-70 |
| 2. The Great Depression: Keynesian Analysis and Rescue | 70-94 |

Mid-Term Examination: February 2th, 2020

WK-8 March 2-6: Fiscal Policy: Readings and Assignments

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|---|----------------------------|
| 1. The Democrats & Republications-Which Pathway? | Watch You Tube Video |
| 2. Fiscal Policy: Dealing with Recessionary and Inflationary Gaps | 89-98 |
| 3. Lags of Fiscal Policy | 91 |
| 4. The Meaning of the Crowding Out of Fiscal Policy | 91 |
| 5. Implications of Expansionary (and Contractionary) Fiscal Policies | 92-93 |

WK-9 March 9-13: Money & Banking: Demand for & Supply of Money 99-115

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|---|---------|
| 1. Money and Its Functions [and Its Origin] | 99-102 |
| 2. Money Demand and Supply | 106-111 |

WK-10 March 16-20: Central Banking: US Federal Reserve 117-133

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|---|----------------|
| 1. Central Banking: Tools of Monetary Policy | 123-124 |
| 2. The Monetary Transmission Mechanism (MTM) | 124-127 |
| WK-11 March 23-27: Theories & Models of Economic Growth: | 137-157 |
| 1. The Meaning of Economic Growth | 138-139 |
| 2. Some Benefits and Costs of Economic Growth | 139-140 |
| 3. Changes in Productivity Growth | 140-142 |
| 4. Theories of Economic Growth | 142-154 |
| WK-12 March 30- April 3: Economic Growth & Development: | 161-188 |
| 1. Introduction | 161-162 |
| 2. Implications of Severe Human Factor Decay | 162-164 |
| 3. Development: Its Meaning/Determinants | 164-167 |
| 4. The Process of Economic Development | 167-172 |

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| | 5. The Key Quadrants of Commitment to Success | 175-178 |
| WK-13-15 | April 6-24: Global Finance: Balance of Payments & Foreign Exchange Market [Including the Final Examination Review Sessions] [Weeks 13-15: April 6-24] | 189-211 |
| | 1. Balance of Payments (BOP) | 189-196 |
| | 2. Foreign Exchange and Exchange Rates | 196-198 |
| | 3. The Determinant of the Equilibrium Exchange Rate | 198-199 |
| | 4. The Concepts of Currency Appreciation and Depreciation | 199-200 |
| | 5. The Determinants of the Exchange Rate | 200-202 |
| | 6. Types of Exchange Rate Systems and Official Monetary Actions: Currency Values | 203-208 |

WK-16 May 4-8, 2020: Final Examination Period

INSTITUTIONAL LEARNING OUTCOMES (ILO)

1. Learning, informed by our Faith in Christ

Students will acquire knowledge of human cultures and the physical and natural world while developing skills and Habits of the Mind that foster lifelong learning.

1. Growing, in a Christ-Centered Faith Community

Students will develop a deeper and more informed understanding of others as they negotiate complex professional, environmental and social contexts.

1. Serving, in a Context of Christian Faith

Students will serve locally and/or globally in vocational and social settings.

Program Learning Outcomes (PLO)

Students who complete the program in Economics will be able to:

1. Critically evaluate decisions using the tools of Economic analysis.
2. Identify and understand national and global economic problems with sensitivity to those in need.
3. Analyze the effectiveness of economic policies to solve social problems.

COURSE LEARNING OUTCOMES (CLO)

The intended student learning outcomes for this course are that students will:

1. Understand the fundamental tools of economic analysis.
2. Understand basic Microeconomics & Macroeconomic Theories as their relevance to our everyday living.
3. Understand the Fundamentals of Microeconomics & Macroeconomic Theory and their relevance to the whole economy and our quality of life.
4. Apply the Microeconomics & Macroeconomic Way of Thinking to everyday realities and overall Decision Making.
5. Critique the fundamental principles of Microeconomics & Macroeconomic Theories and their relevance to our quality of life.
6. Apply Microeconomics & Macroeconomic Theories and Thinking toward understanding current events and important Socioeconomic Issues.
7. Use Microeconomics & Macroeconomic Analysis to evaluate and analyze policy debates regarding the role of government officials.
8. Responsibly reflect upon and successfully analyze how Christians view, perceive, and think about Microeconomics & Macroeconomic Issues and their relevance to daily living.

Alignment Mapping of Program Outcomes (PLOs) and Course Outcomes (SLOs)

| Program Learning Outcomes (PLOs) | Student Learning Outcomes (SLOs) | Weekly Readings |
|---|--|-----------------------------|
| P1. Students will develop excellent knowledge of the essential areas of Business. | S1. Understand the fundamental tools of economic analysis. | Readings for Weeks 1, 2 & 3 |
| | S2. Understand basic Microeconomics & Macroeconomic Theories as their relevance to our everyday living. | Week 4 Readings |
| | S3. Understand the Fundamentals of Microeconomics & Macroeconomic Theory and their relevance to the whole economy and our quality of life. | Week Reading |
| | S4. Apply the Microeconomics & Macroeconomic Way of thinking to everyday realities and overall Decision Making. | Weeks 5, 6, and 7 Readings |
| | S5. Critique the fundamental principles of Microeconomics & Macroeconomic theories and their relevance to our quality of life. | Week 12 |
| P2. Students will demonstrate the professional skills essential to success in Business. | S6. Apply Microeconomics & Macroeconomic Theories and Thinking toward understanding current events and important socioeconomic issues. | Weeks 6, 7, 8, 11, and 13 |
| | S7. Use Microeconomics & Macroeconomic Analysis to evaluate and analyze policy debates regarding the role of government officials. | Weeks 1, 2, 8, 9, and 10 |

P3. Students will develop the personal values expected of PLNU Graduates. S8. Responsibly reflect upon and successfully analyze how Christians view, perceive, and think about Microeconomics & Macroeconomic issues. Week 12

GENERAL EDUCATION LEARNING OUTCOME (GELO)

Critical Thinking: Students will be able to examine, critique, and synthesize information in order to arrive at reasoned conclusions.

Alignment Mapping of General Education Learning Outcomes (GELOs) and Course Outcomes (SLOs)

| General Education Learning Outcomes (GELOs) | Student Learning Outcomes (SLOs) | Specific Readings |
|--|--|-----------------------------|
| <i>Critical Thinking: Students will be able to examine, critique, and synthesize information in order to arrive at reasoned conclusions.</i> | S1. Understand the fundamental tools of economic analysis. | Readings for Weeks 1, 2 & 3 |
| | S4. Apply the Microeconomics & Macroeconomic Way of thinking to everyday realities and overall Decision Making. | Weeks 5, 6, and 7 Readings |
| | S5. Critique the fundamental principles of Microeconomics & Macroeconomic theories and their relevance to our quality of life. | Week 12 |
| | S6. Apply Microeconomics & Macroeconomic Theories and Thinking toward understanding current events and important socioeconomic issues. | Weeks 6, 7, 8, 11, and 13 |
| | S7. Use Microeconomics & Macroeconomic Analysis to evaluate and analyze policy debates regarding the role of government officials. | Weeks 1, 2, 8, 9, and 10 |

HOLIDAY SCHEDULE: SPRING 2020

1. **DR. MARTIN LUTHER KING Jr. DAY:** Monday, January 20th, 2020
2. **Spring Break:** Monday, March 9th, through Friday, March 13th, 2020
3. **End of Semester Classes:** Friday, May 1st, 2020
4. **Final Examination Period:** Monday, May 4th—Friday, May 8th, 2020

ASSESSMENT AND GRADING

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|-----------------------|---|
| Assignments & Quizzes | 30% [Dates stated on Canvas] |
| Mid-Term | 30% [February 28 th , 2020—In-Class] |
| Final Examination | 40% [Mon, May 4 th : 7:30 AM - 10:00 AM] |
| Extra Credit | 5% [Childhood Story & Toastmasters] |

THE GRADE ASSIGNMENT SYSTEM

The assignment of final grades is based on the following Grid:

| | | |
|--------------------|--------------------|----------------------|
| A (85-100%) | A- (80-84%) | B+ (77-79%) |
| B (73-76%) | B- (70-72%) | C+ (67-69%) |
| C (63-66%) | C- (60-62%) | D+ (57-59) |
| D (53-56%) | D- (50-52%) | F (Below 50%) |

ALL COURSE ASSIGNMENTS

Individual as well as group assignments will be given to students to work on in both inside as well as outside classroom-settings. There will be in-class individualized as well as group assignments. Any opportunities missed to either turn or participate in any assignment cannot be reclaimed. *No one will receive any course credit for any individualized as well as group assignments that have were not turned in as required for grading.*

STUDENT PARTICIPATION IN ACADEMIC RESEARCH AND PUBLIC SPEAKING ACTIVITIES

There are two Extra Credit Opportunities in this course. Regarding your own interests in any or both of these two Extra Credit Opportunities, the interested student is to voluntarily work on and submit their responses on Canvas by the required dates. No submissions will be accepted after the due date. The two tasks to be completed to earn the extra credit points are described below.

THE FIRST EXTRA CREDIT OPPORTUNITY: A CHILDHOOD STORY [2%]

Write and submit to me through your Canvas Portal your own personal real-life story. This story must cover that unique period of time from Mom' Womb through to when you turned Six Years Old (i.e., the reality/experience you write about must have happened within your first 7 Years of Life--including the time period you spent in Mom's Womb. If you don't know any such stories, ask Mom about it. Please don't ask Dad because he may or may not know. Note that the time period covering the 7 Years *begin from the time you spent in Mom's Womb through to your first 6 years on Planet Earth--making it a period of 7 Years in Total.* To write this story and submit it to me via email by the due date [**January 24th, 2020 by 11:59 PM**] is to earn **2% Extra Credit Points** toward your final course grade.

In the story clearly describe what the unique experience was then and how that experience and/or event still impacts (i.e., shows up in) your life today. In other words, clearly describe the long-term influence it has on your life as a person (e.g., be it either good or bad or both)--and will continue to impact your life throughout your whole tenure on Planet Earth. If your story meets the requirements of the research and I do quote it, your name will not be identified--for privacy purposes. [**Remember that the Due Date is January 24th, 2020 by 11:59 PM. Please submit your Childhood Story to me through Email ONLY. Note that the deadline will not be extended. Neither will a hard copy (i.e., written on paper and submitted) be accepted. Only copies sent to me via email are acceptable. No photograph copies will be accepted anytime.] Please ask me for more clarification if you are not sure at the time of submission.**

THE SECOND EXTRA CREDIT OPPORTUNITY: PARTICIPATION IN TOASTMASTERS [3%]

We have a Toastmasters International™ Program on PLNU Campus. I started this Program several Years ago @ the FSB to provide an opportunity for students interested in Public Speaking. Our Toastmaster's meetings provide you with glorious opportunities through which you learn and grow in the knowledge, skills, and abilities required for personal excellence in Public Speaking and Communications Capabilities. The meeting days are *Wednesdays from 5:00PM—6:00PM.* The meeting place is: *FSB Room 104.* *Attend 10 Meetings* throughout the whole semester and earn **3% Extra Credit Points** toward your final course grade in Economics 1001: Principles of Macroeconomics. For every one of these ten meetings, you must document your participation, observations, and learning. Present this report to me in a hard copy form on

the final day of classes as evidence of your participation, learning, and benefits for having participated in the TM Program.

[Due Date: Either a week before or exactly on April 25th, 2020 by 11:59 PM. Please submit a hard copy of your write-up on your Toastmasters' Experience throughout the whole semester to me.]

CLASS PROCEDURES

The final course grade is made up of the points earned through Assignments, Mid-term Tests, the Final Examination, and any Extra Credit Assignment Points Earned. The due dates for each assignment is stated on Canvas. The teaching and learning process will be facilitated through a series of Lectures, In-class Discussion Sessions; Case Studies; Individualized as well as group assignments. Students who need more help must arrange with the Professor to get it.

Alternatively, there are Tutors who can help at the Learning Center, located at the Bond Academic Center. Please take advantage of this great provision of academic assistance.

EXPECTATIONS

The teaching, studying, and learning of the materials in this course will lead us on a journey through which we will cover a great deal of theories and principles of macroeconomics. During our journey together, we will do our best to maximize the use of our assigned class time. While the professor will do his best to make sure that students are effectively assisted to comprehend and learn the contents of this course, each student is also obligated to do his or her best to have a great learning experience with and success in terms of knowledge acquisition and the ability to apply the knowledge to problems related to government, business, and consumers. In light of these goals, I expect every student to:

1. Complete reading through assigned textbook chapters and supplementary materials in a timely fashion.
2. You must prepare to vigorously participate in class discussions and group work.
3. Come to class prepared to participate in the teaching and learning process.
4. Be regular in attendance and punctual to class. ***By university attendance policy, a student can be forced to withdraw from the course for having missed approximately two weeks of classes. The professor, therefore, has the right to enforce this policy in this course*** (please check the PLNU calendar to acquaint yourself with this attendance policy).
5. While mid-term tests cover materials up to the test day, the final examination is comprehensive—covering all chapters in the Course Textbook.
6. There are no opportunities for students to make up for missed quizzes. However, if for any ***VALID*** reason you will not be in class to take the quiz, please plan with the professor and take the quiz in advance. This recommendation will work well for those students who are involved in athletics and sports.

STUDENT FEEDBACK

Suggestions for improvements on and constructive criticisms from students regarding the delivery of lectures and class procedures are always welcome. Every student is encouraged to keep in constant touch with the professor as the need arises.

ATTENDANCE AND PARTICIPATION

Regular and punctual attendance at all classes is considered essential to optimum academic achievement. See [Academic Policies Links to an External Site](#), in the Undergraduate Academic Catalog.

LATE ASSIGNMENTS

All assignments must be submitted by the due date posted in Canvas. Neither late assignments nor excuses for not having completed assigned tasks will be accepted under any circumstances anytime.

COPYRIGHT POLICY

Point Loma Nazarene University, as a non-profit educational institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

ACADEMIC HONESTY

Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. As stated in the university catalog, "Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. Such acts include plagiarism, copying of class assignments, and copying or other fraudulent behavior on examinations. A faculty member who believes a situation involving academic dishonesty has been detected may assign a failing grade for a) that particular assignment or examination, and/or b) the course." See [Academic Policies Links to an external site.](#) for full text.

ACADEMIC ACCOMMODATIONS

While all students are expected to meet the minimum academic standards for completion of this course as established by the instructor, students with disabilities may require academic accommodations. At Point Loma Nazarene University, students requesting academic accommodations must file documentation with the Disability Resource Center (DRC), located in the Bond Academic Center. *If you have a diagnosed disability, please contact PLNU's Disability Resource Center (DRC) within the first two weeks of class to demonstrate need and to register for accommodation by phone at 619-849-2486 or by e-mail at DRC@pointloma.edu. Go to the PLNU Disability Resource Center [Links to an external site.](#) for additional information.*

Once the student files documentation, the Disability Resource Center will contact the student's instructors and provide written recommendations for reasonable and appropriate accommodations to meet the individual needs of the student. This policy assists the university in its commitment to full compliance with Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities (ADA) Act of 1990, and ADA Amendments Act of 2008, all of which prohibit discrimination against students with disabilities and guarantees all qualified students equal access to and benefits of PLNU programs and activities. Please do not hesitate to inform me about your specific disability. This action on your part will assist me to learn and know how best to assist you to succeed in this course.

SPIRITUAL CARE

PLNU strives to be a place where you grow as whole persons. To this end we provide resources for our graduate students to encounter God and grow in their Christian faith. At the Liberty Station Campus, we have an onsite chaplain, Rev. Wil Ryland who is available during class break times across the week. If you have questions, desire to meet with Rev Ryland or prayer requests you can contact him directly at gradchaplainlibertystation@pointloma.edu. In addition, there are resources for your Christian faith journey available at:

<http://www.pointloma.edu/experience/faith/graduate-student-spiritual-life> [Links to an external site.](#)

FERPA POLICY

As a student at Point Loma, you have a legal right to privacy as outlined in the federal FERPA (Family Educational Rights and Privacy Act) legislation. If I post grades or return assignments, I'll do so in a way that does not publicly reveal your name, PLNU student ID, or social security number without your written permission. See [Policy Statements Links to an external site.](#) for full text.

FINAL EXAMINATION POLICY

Ceteris Paribus, no Cell Phone Calculators are permitted. Some will be provided. Scientific Calculators are OK.

INFORMATION LITERACY

The curriculum of the MS-KIN is designed so that you develop skills in scientific writing, performing statistical analysis of data, reading and critically appraising primary literature, and incorporating current best evidence into your professional practice. Not all information is equally sound or applicable to your practice. Various assignments within this course are designed to accomplish the goal of informational literacy—to evaluate the validity and importance of information obtained from any source and use the information appropriately to solve relevant problems. These assignments include: Macroeconomic Output Reports, in-class article discussions, in-class discussion of experimental design, review of the literature related to your proposal, presentation of proposal. We will regularly direct you to the Ryan Library to accomplish these assignments.

USE OF TECHNOLOGY

In order to be successful in the online environment, you'll need to meet the minimum technology and system requirements; please refer to the [Technology and System Requirements](#) page.

Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

If you do need technical help, you may click on the HELP button (located on the top-right corner of Canvas) and choose from whom you want assistance, or you may contact the campus Helpdesk (619-849-2222).