

Syllabus for  
**BUS 201—Principles of Economics I**  
**(Macroeconomics)**  
3 Credit Hours  
Fall 2021

**I. COURSE DESCRIPTION**

An overview of basic economic concepts and institutions. National income accounting and income formation; economic fluctuations, money, banking, monetary and fiscal policy; economic stabilization theory and policy; the public sector, aggregate demand, aggregate supply, Classical theory, Keynesian theory, Neo-Classical, Neo-Keynesian, monetary theory; and the theory of economic growth.

Course Prerequisites: None

**II. COURSE GOALS**

- A. Students will gain an understanding of the way our individualistic and complex economic system works and will develop an orderly, systematic way of analyzing economic problems. Students will gain the ability to use simple analytical economic models, principles, and concepts to analyze a variety of macroeconomic problems. Current economic events will be discussed to stimulate interest in economics and to increase analytical abilities.
- B. In line with the purpose of this University, this course seeks to do the following:
1. Contribute to the education of the whole person.
  2. Encourage each student to place faith in Jesus Christ at the center of his or her life.
  3. Encourage the synthesis and integration of the common bond of knowledge provided by the university into a unified whole.
  4. Sharpen the communication, computation, and critical analysis skills of each student.
  5. Develop appreciation for differing cultures.
  6. Increase the student's recognition of God's order, diversity, and creativity and their consequences in the social and historical sciences.
  7. Demonstrate that knowledge and experiences are related, not separated.
  8. Reveal God's purpose and glory as evident in this course of study.
  9. Assist the student's development of basic skills, acquiring of basic knowledge and formulation of a world vision.
  10. Advocate the examination of this field of knowledge in the context of its influence upon and its being influenced by others.
  11. Encourage a lifestyle of personal fitness and physical well-being.
- C. In line with the purpose of the undergraduate business program, this course is designed to prepare a student for an active role in the general area of general business. Material covered in this course provides a broad understanding of macroeconomics useful to students majoring in business administration, accounting, finance, international business, management, marketing, or related majors. This course in macroeconomics is part of a program to develop an integrated person—spiritually alive, intellectually alert, and physically disciplined.
- D. In line with the departmental objectives, this course seeks to prepare the student in the following areas:
1. Critical thinking (skills in reasoning, objectivity, analysis, interpretation, research, or decision making relevant to the discipline)
  2. Broad comprehensive foundational knowledge for the professional standards of the intended major

3. Broad interpretation of the dynamics of business within the social and professional context
4. Internalization of Christian business ethics and professionalism

E. Affective Goals

1. The student will gain an understanding of the nature of economic theory.
2. The student will be aware of current economics.

### III. STUDENT LEARNING OUTCOMES FOR THIS COURSE

A. Terminal Objectives

After successfully participating in class discussions, listening to class lectures, and participating in class projects, the student will be able to solve, to differentiate, and to analyze economic conceptual models, problems, and statements with an accuracy level of 70% or above in the following major areas: Economic Foundations; National Income, Employment, and Fiscal Policy; Money, Banking, and Monetary Policy; and Problems and Controversies in Macroeconomics.

B. Performance Objectives

A student upon successfully completing the first semester of Principles of Economics 201 will be able to do the following as they are related to objective examinations.

1. Explain how economics helps us to understand how individuals make decisions.
2. Describe how economics helps us to understand how people interact.
3. Explain how economics helps us to understand how the economy works.
4. Understand and be able to explain the scientific method.
5. Describe the difference between normative and positive economics.
6. Define Adam Smith's invisible hand.
7. Illustrate opportunity costs.
8. Contrast absolute advantage with comparative advantage.
9. Describe how comparative advantage drives specialization.
10. Understand supply and demand analysis.
11. Analyze and predict changes in equilibrium.
12. Analyze the impacts of price floors and price ceilings.
13. Define GDP and its components.
14. Contrast real GDP and nominal GDP.
15. Understand how the CPI is calculated.
16. Adjust varied economic variables for inflation using the CPI.
17. Describe the production function and diminishing marginal returns.
18. Understand the relationship between economic growth and varied public policies.
19. Describe the financial markets and financial intermediaries.
20. Explain the role of savings and investment in the national income accounts.
21. Understand the market for loanable funds.
22. Understand the various types of risk preferences.
23. Understand asset valuation and the efficient market hypothesis.
24. Calculate employment and unemployment.
25. Describe the economics of unions.
26. Understand the efficiency wage hypothesis.
27. List and define the functions of money.
28. Understand the Federal Reserve System.
29. Understand the tools of the Federal Reserve.
30. Describe the classical theory of inflation.
31. Understand the costs of inflation to varied actors.
32. Describe the major components of the international flows of goods and capital.
33. Describe the relationship between the loanable funds market and foreign currency exchange.

34. Understand how varied policies and events impact an open economy.
35. Demonstrate and understanding of aggregate demand and aggregate supply.
36. Describe the assumptions of classical economics.
37. Analyze varied economic scenarios using aggregate supply and aggregate demand concepts.
39. Describe how monetary policy impacts aggregate demand.
38. Demonstrate an understanding of how monetary policy impacts aggregate demand.
39. Demonstrate and understanding of how fiscal policy influences aggregate demand.
40. Describe how policy can be used to stabilize the economy.
41. Understand the difference between a short-run and long-run Phillips curve.
42. Define the natural-rate hypothesis.
45. Discuss the costs of reducing inflation.
46. Understand and discuss six of the current debates over the role of varied macroeconomic policies.

#### IV. TEXTBOOKS AND OTHER LEARNING RESOURCES

##### Required Materials

##### **Follett Access paid with ORU fees or**

##### **Cengage Unlimited – access to all Cengage Materials for all courses.**

It is available for purchase through ORU Bookstore or the Cengage Link in the course D2L content. An electronic book is included with your subscription

Free book rental is included with all subscriptions with the payment of \$7.99 for shipping. With Cengage Unlimited subscription, books can be purchased at the cost of \$20 to \$50. ISBN: 9780357700006.

Cengage Unlimited, 4 months, \$119.99, ISBN: 9780357700037.

Cengage Unlimited, 12 Months, \$179.99, ISBN: 9780357700044.

Cengage Unlimited, 24 Months, \$239.99, ISBN: 9780357700051.

(Note: We will be using the electronic edition from Cengage for Mankiw, N. Gregory, Principles of Economics. (8thEd). Boston, MA, 2020.

#### V. POLICIES AND PROCEDURES

##### A. University Policies and Procedures

1. Students and faculty at Oral Roberts University must adhere to all laws addressing the ethical use of others' materials, whether it is in the form of print, electronic, video, multimedia or computer software. Plagiarism and other forms of cheating involve both lying and stealing and are violations of ORU's Honor Code: "I will not cheat or plagiarize; I will do my own academic work and will not inappropriately collaborate with other students on assignments." Plagiarism is usually defined as copying someone else's ideas, words, or sentence structure and submitting them as one's own. Other forms of academic dishonesty include (but are not limited to) the following:
  - a. Submitting another's work as one's own or colluding with someone else and submitting that work as though it were his or hers;
  - b. Failing to meet group assignment or project requirements while claiming to have done so;
  - c. Failing to cite sources used in a paper;
  - d. Creating results for experiments, observations, interviews, or projects that were not done;
  - e. Receiving or giving unauthorized help on assignments.
 By submitting an assignment in any form, the student gives permission for the assignment to be checked for plagiarism, either by submitting the work for electronic verification or by other means. Penalties for any of the above infractions may result in disciplinary action including failing the

assignment or failing the course or expulsion from the University, as determined by department and University guidelines.

2. Final exams cannot be given before their scheduled times. Students need to check the final exam schedule before planning return flights or other events at the end of the semester.
  - a. Students are to be in compliance with University, school, and departmental policies regarding Whole Person Assessment requirements. Students should consult the WPA handbooks for requirements regarding general education and the students' majors.
  - b. The penalty for not submitting electronically or for incorrectly submitting an artifact is a zero for that assignment.
  - c. By submitting an assignment, the student gives permission for the assignment to be assessed electronically.
4. Coronavirus: All faculty members and students are expected to be face-to-face in the classroom except under conditions provided in the ORU Fall 2021 Coronavirus Response Plan, which can be found at <https://oru.edu/campus-health/>.

#### B. Course Policy and Procedures

1. College of Business Attendance Policy
2. Attendance Policy
  - a. Attendance is mandatory and is taken at the beginning of class. All students who miss class, including those who are administratively excused, are expected to obtain class notes and materials and turn in assignments within a reasonable time period determined by the professor. Similarly, students may miss class up to the number of times per week a class meets without penalty (see table below). This allowance is for illness, personal business, and/or emergencies. The professor has the discretion to excuse any absence beyond those described above.

- b. If a student has excessive *unexcused* absences, a penalty will be assessed as follows:

Number of days the class meets per week	Number of absences <u>not</u> resulting in a penalty	For <u>each additional day</u> the student incurs an unexcused absence beginning with absence number:	The student's total number of points will be reduced by*:
3	3	4	2%
2	2	3	3%
1	1	2	7%

\*Based on a 15 week semester and the number of days per week the class meets.

- c. Whether excused or unexcused, excessive absences may negatively impact the student's performance/grade and may cause the student to fail the course.
      - d. The professor has the prerogative to assign bonus points (if any) for perfect attendance.
  3. Tardies
    - a. Tardy is defined as missing *any* portion of class.
    - b. Being consistently tardy to class is disruptive to the class and disrespectful to the professor and to fellow class members. This type of behavior is unacceptable in business. Thus, three unexcused tardies will be equal to one unexcused absence.
    - c. Depending on the amount of the class missed, makeup work may be required or a student may be marked absent for that class.
    - d. To not be counted absent altogether, the student is responsible to inform the professor that he/she was tardy immediately following that class.

#### C. Course Policies and Procedures

## Evaluation Procedures

1. There will be three hourly examinations, a final examination, quizzes and homework, and a community service project. The community service project, or alternative reflection paper, is for Whole Person Assessment verification. The relative worth of these areas is designated below.

First Examination	150 points
Second Examination	150 points
Third Examination	150 points
Assignments	20 points
Final Examination	150 points
Service Project	<u>30 points</u>
Total	650 points
2. Grading

90% of total points	A
80% of total points	B
70% of total points	C
60% of total points	D
Below 60%	F
3. Late Exams, without a university excused absence, will be penalized 10%. Late exams must be taken within 7 days of the original exam date unless the student has the written permission of the professor. Failure to take the late exam within the scheduled time, will result in significantly larger penalties or a 0 for the exam.
3. Whole Person Assessment Requirements
  - a. All students must complete verification of a minimum of 12 hours of community service to the instructor of this course. Students having already completed this verification in another social science elective will submit a one-page reflection paper about that experience.
  - b. Artifacts not submitted or incorrectly submitted receive a zero for that assignment.
4. Other Information
  - a. Academic Dishonesty: Each student is responsible for submitting his/her own work or work completed by his/her team as defined by the assignment. Development of solid Christian values requires that any violations not be tolerated.
  - b. Office hours are M-W-F, 9:00-10:30.
  - c. Professor's name: Dr. James R. Russell  
Office: Graduate Center 3F03  
Telephone: 918-495-6551 (office), 918-510-3999 (cell)  
E-Mail: [jrussell@oru.edu](mailto:jrussell@oru.edu)
5. Bonus Points
  - a. D2L Quizzes. A D2L quiz exists for each of the chapters covered in the course. You may take each quiz as many times as you like with only the high grade recorded. Each quiz is worth a total of 2 points. You will have until 8am, December 6<sup>th</sup> to complete the quizzes.
  - b. Perfect attendance. No unexcused absences, 10 bonus points.
  - c. PDP program, up to 10 bonus points.
  - d. Student Opinion Survey (SOS), 10 bonus points.

## VI. COURSE CALENDAR

### Course Calendar, BUS 201, Principles of Economics I, Fall 2021

Day	#	Date	Chapter – Mankiw 9th
Thursday	1	8/26/2021	Introduction
Tuesday	2	8/31/2021	Chapter 1
Thursday	3	9/02/2021	Chapter 2
Tuesday	4	9/07/2021	Chapter 3
Thursday	5	9/09/2021	Chapter 4
Tuesday	6	9/14/2021	Chapter 4
Thursday	7	9/16/2021	Chapter 23
Tuesday	8	9/21/2021	Exam 1, Chapters 1-4, 23
Thursday	9	9/23/2021	Chapter 24
Tuesday	10	9/28/2021	Chapter 25
Thursday	11	9/30/2021	Chapter 25
Tuesday	12	10/05/2021	Chapter 26
Thursday	13	10/07/2021	Chapter 27
		10/11-15/2021	Fall Break
Tuesday	14	10/19/2021	Chapter 28
Thursday	15	10/21/2021	Exam 2, Chapters 24-28
Tuesday	16	10/26/2021	Chapter 29
Thursday	17	10/28/2021	Chapter 30
Tuesday	18	11/02/2021	Chapter 31
Thursday	19	11/04/2021	Chapter 32
Tuesday	20	11/09/2021	Chapter 33
Thursday	21	11/11/2021	Exam 3, Chapter 29-33
Tuesday	22	11/16/2021	Chapter 34
Thursday	23	11/18/2021	Chapter 35
Tuesday	24	11/23/2021	Chapter 36
Thursday	24	11/25/2021	Thanksgiving
Tuesday	25	11/30/2020	Review
Thursday	26	12/02/2021	Review
<b>Saturday</b>	<b>27</b>	<b>12/04/2021</b>	<b>Final Exam, TBA</b>