PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE
MASTER SYLLABUS

PRINCIPLES OF ECONOMICS
ECN 2010

Class Hours: 4.0 Credit Hours: 4.0
Laboratory Hours: 0.0 Date Revised: Spring 03

Note: This course is designed for transfer credit.

Catalog Course Description:
A presentation of basic economic concepts including supply and demand, competition, money and banking, employment, inflation, and market models. Topics include resource allocation, current economic problems of the U.S., international economics, and the world economy.

Entry Level Standards:
Students must be able to read and write at the college level.

Prerequisites:
N/A

Corequisites:
College-level math

Textbook(s) and Other Reference Materials Basic to the Course:


**Required Supplies:** Graph paper for tests and homework assignments
Programmable calculators **may not** be used on the tests in this course.

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
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</table>
| 1    | Chapter 1 The Nature and Method of Economics  
      | Chapter 2 The Economizing Problem |
| 2    | Chapter 4 The Market System  
      | Chapter 3 Individual Markets: Demand and Supply |
| 3    | Chapter 20 Supply and Demand: Elasticities and Government-Set Prices  
      | Chapter 22 The Costs of Production |
| 4    | Chapter 23 Pure Competition |
| 5    | Chapter 24 Pure Monopoly |
Chapter 25 Monopolistic Competition and Oligopoly

Chapter 32 Antitrust Policy and Regulation

Chapter 7 Measuring Domestic Output, National Income, and the Price Level

Chapter 8 Introduction to Economic Growth and Instability

Chapter 9 Building the Aggregate Expenditures Model

Chapter 10 Aggregate Expenditures: The Multiplier, Net Exports, and Government

Chapter 11 Aggregate Demand and Aggregate Supply

Chapter 12 Fiscal Policy

Chapter 13 Money and Banking

Chapter 14 How Banks and Thrifts Create Money

Chapter 15 Monetary Policy

Chapter 18 Deficits, Surpluses, and the Public Debt

Chapter 37 International Trade

Final Exam

II. Course Objectives*:

A. Demonstrate a complete and thorough understanding of American capitalism, economics of the firm and resource allocation. I, IV

B. Exhibit an adequate understanding of national income, employment, and fiscal policy. I, III

C. Demonstrate knowledge of money, monetary policy and economic stability. I, III

D. Explain the basic concepts involved in international economics and the world economy. I, III

E. Acquire the basic rudiments of an economics vocabulary. II

*Roman numerals after course objectives reference goals of the university parallel program.

III. Instructional Processes*:

Students will:

1. Practice elements of the work ethic such as professionalism, preparedness, punctuality, honesty, cooperation, dependability, contribution, effectiveness, and good manners. Personal Development Outcome, Cultural Diversity & Social Development Outcome, Transitional Strategy

2. Perform course assignments such as class discussions, experiential exercises, written presentations, Internet research, etc. that help develop critical thinking and problem solving skills. Communication Outcome, Personal Development Outcome, Problem Solving & Decision Making Outcome, Cultural Diversity & Social Development Outcome, Informational Literacy Outcome, Transitional Strategy, Active Learning Strategy
3. Use email to communicate problems, questions, and issues to instructor. 
   Communication Outcome, Personal Development Outcome, Informational Literacy Outcome

4. Complete a minimum of three written analyses of articles relating to current economic events. Communication Outcome, Problem Solving & Decision Making Outcome, Cultural Diversity & Social Development Outcome, Informational Literacy Outcome

*Strategies and outcomes listed after instructional processes reference Pellissippi State’s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

1. Explain how economics is related to scarcity.  A,E
2. Explain the difference between positive and normative economics.  A,E
3. Identify the 4 factors of production and provide examples.  A,E
4. Discuss in detail the production possibilities concept including opportunity cost, law of increasing opportunity cost, and the shifting of the production possibilities frontier.  A,E
5. Construct a production possibilities curve.  A,E
6. Explain the characteristics of the market system.  A,E
7. Identify and explain the Four Fundamental Questions.  A,E
8. Define demand and supply, graph demand and supply, and state the law of demand and the law of supply.  A,E
9. List the factors that shift demand and supply and determine equilibrium price and quantity.  A,E
10. Define and calculate the price elasticity of demand as well as explain the determinants of demand elasticity.  A,E
11. Define economic profit, accounting profit, fixed costs, and variable costs.  A,E
12. Explain the law of diminishing returns.  A,E
13. Compute and graph AFC, AVC, ATC, and MC when given total cost data.  A,E
14. List the causes of economies and diseconomies of scale.  A,E
15. List the characteristics of perfect competition.  A,E
16. Use the marginal revenue-marginal cost approach to determine output produced in the short run.  A,E
17. Define monopoly and explain the conditions under which it arises.  A,E
18. Define natural monopoly and the conditions under which it occurs.  A,E
20. Define monopolistic competition and explain how price and output are determined. A,E
21. Define oligopoly and explain why the price might be sticky in an oligopoly industry. A,E
22. Explain the major antitrust acts and their applications. A,E
23. Define the term GDP and compute GDP using the expenditure approach when given national income accounting data. B,E
24. Distinguish between nominal GDP and real GDP. B,E
25. Define recession, depression, peak, trough, and recovery/expansion. B,E
26. Define full employment and the process used to measure the unemployment rate. B,E
27. Define discouraged workers and underemployment. B,E
29. Define inflation and describe how the CPI is used to measure inflation rates. B,E
31. Define APC, APS, MPR, and MPS. B,E
32. Identify the determinants of investment. B,E
33. Explain how equilibrium output is determined using the simple Keynesian cross. B,E
34. Calculate the spending and tax multipliers and use these to determine the effects of changes in fiscal policy. B,E
35. Define recessionary and inflationary gaps. B,E
36. Define aggregate demand and aggregate supply. B,E
37. Draw the AS curve, label the three ranges, and explain them. B,E
38. Identify the factors that shift the aggregate demand curve. B,E
39. Explain how/when both expansionary and contractionary fiscal policies are used. B,E
40. List the 3 properties of money and explain the meaning of each. C,E
41. Explain what backs the money supply in the U.S. C,E
42. Diagram the money market and determine the equilibrium interest rate. C,E
43. Describe the structure of the U.S. banking system. C,E
44. Compute a bank’s required and excess reserves. C,E
45. Calculate the money multiplier. C,E
46. Identify the 3 quantitative controls and explain how each may be employed by the Federal
Reserve to expand or to contract the money supply. C,E

47. Describe the demand-side transmission mechanism of monetary policy. C,E

48. Explain the effects of budget deficits on the economy. B,E

49. Define comparative advantage and calculate the gains from trade in a 2-country, 2-good model. D,E

50. Explain the effects of quotas, VERs, tariffs, and NTBs. D,E

51. Enumerate the rationales for protectionist policies and discuss their merits. D,E

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

Students are evaluated primarily on the basis of tests. A minimum of three major tests is recommended.

B. Laboratory Expectations:

N/A

C. Field Work:

Students are required to complete a minimum of three written analyses of articles relating to current economic events. Each instructor will provide full details during the first week of class via a syllabus supplement.

D. Other Evaluation Methods:

Class participation and homework will also comprise the final grade for the course. Each instructor will provide full details during the first week of class via a syllabus supplement.

E. Grading Scale:

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Grade</th>
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<tbody>
<tr>
<td>92 - 100</td>
<td>A</td>
</tr>
<tr>
<td>89 - 91</td>
<td>B+</td>
</tr>
<tr>
<td>82 - 88</td>
<td>B</td>
</tr>
<tr>
<td>79 - 81</td>
<td>C+</td>
</tr>
<tr>
<td>72 - 78</td>
<td>C</td>
</tr>
<tr>
<td>65 - 71</td>
<td>D</td>
</tr>
<tr>
<td>Below 65</td>
<td>F</td>
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</tbody>
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VI. Policies:

A. Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. (Pellissippi State Catalog)
B. Academic Dishonesty:

Plagiarism, cheating and other forms of academic dishonesty are prohibited. A student guilty of academic misconduct, either directly or indirectly through participation or assistance, is immediately responsible to the instructor of the class. In addition to other possible disciplinary sanctions that may be imposed through the regular Pellissippi State procedures as a result of academic misconduct, the instructor has the authority to assign an F or a zero for the exercise or examination or to assign an F in the course.