

PELLISSIPPI STATE COMMUNITY COLLEGE
MASTER SYLLABUS

PRINCIPLES OF ECONOMICS I
ECN 2010

Class Hours: 4.0

Credit Hours: 4.0

Laboratory Hours: 0.0

Revised: Fall 09

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 Course Materials:

Required Textbook: *Economics: Principles, Problems, and Policies*, (18th Edition), McConnell, Campbell R. and Stanley R. Brue, and Sean M. Flynn, McGraw-Hill Irwin, 2009.

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:

Week	Topic
1	Limits, Alternatives, and Choices The Market System and the Circular Flow
2	Demand, Supply, and Market Equilibrium Elasticity of Demand, Consumer Surplus, and Producer Surplus
3	The United States in the Global Economy
4	Measuring Domestic Output and National Income
5	Business Cycles, Unemployment, and Inflation
6	Basic Macroeconomic Relationships The Aggregate Expenditures Model

- 7 Aggregate Demand and Aggregate Supply
- 8 Fiscal Policy, Deficits, and Debt
- 9 Money and Banking
- 10 Money Creation
Interest Rates and Monetary Policy
- 11 The Costs of Production
- 12 Pure Competition
- 13 Pure Monopoly
- 14 Monopolistic Competition and Oligopoly
- 15 Final Exam

II. Course Objectives*:

- A. Demonstrate a complete and thorough understanding of American capitalism, economics of the firm and resource allocation. I,III,IV,V,VII
- B. Exhibit an adequate understanding of national income, employment, and fiscal policy. I,III,IV,V,VII
- C. Demonstrate knowledge of money, monetary policy and economic stability. I,III,IV,V,VII
- D. Explain the basic concepts involved in international economics and the world economy. I,III,IV,V,VII
- E. Acquire the basic rudiments of an economics vocabulary. I

*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. *Communication Outcome, Transitional Strategy, Active Learning 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, Social/Behavioral Sciences Outcome, Technological Literacy Outcome, Transitional Strategy, Active Learning Strategy*
- 3. Use email to communicate problems, questions, and issues to instructor. *Communication Outcome, Technological Literacy Outcome*
- 4. Complete at least one major group or individual project related to current economic events. *Communication Outcome, Social/Behavioral Sciences Outcome, Active Learning Strategy, Technological Literacy Outcome*

*Strategies and outcomes listed after instructional processes reference TBR'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 and graph demand and supply; state the laws of demand and 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; explain the determinants of demand elasticity. (Ch. 6) A, E
11. Be able to determine specialization and comparative advantage in a 2-country, 2-good model. (Ch.5) D, E
12. Be able to determine appreciation and depreciation in a 2-currency model of the foreign exchange market. (Ch. 5) D, E
13. Be able to describe and discuss the importance of the WTO, GATT, and NAFTA. (Ch.. 5) D, E
14. Define GDP and compute GDP using the expenditure approach, given national income data. B,E
15. Distinguish between nominal GDP and real GDP. B,E
16. Define recession, depression, peak, trough, and recovery/expansion. B,E
17. Define full employment and the process used to measure the unemployment rate. B,E
18. Define discouraged workers and underemployment. B,E
19. Describe frictional, structural, and cyclical unemployment.
20. Define inflation and describe how the CPI is used to measure inflation rates. B,E
21. Define demand-pull and cost-push inflation. B,E
22. Define APC, APS, MPC, and MPS. B,E

23. Calculate the spending multiplier given the MPC and/or the MPS. B,E
24. Identify the determinants of investment. B,E
25. Explain how equilibrium output is determined using the Aggregate Expenditure model. B,E
26. Define recessionary and inflationary gaps. (Ch. 28) B, E
27. Define aggregate demand and aggregate supply. (Ch. 29) B, E
28. Identify the factors that shift both the aggregate demand and aggregate supply curves.
29. Use the spending and tax multipliers to determine the effects of changes in fiscal policy. (Ch. 29) B, E
30. Explain how/when both expansionary and contractionary fiscal policies are used. B,E
31. Explain the effects of budget deficits on the economy. B,E
32. Identify and define the three functions of money. C,E
33. Explain what backs the money supply in the U.S. C,E
34. Describe the structure of the U.S. banking system. C,E
35. Compute a bank's required and excess reserves. C,E
36. Calculate the money multiplier. C,E
37. Diagram the money market and determine the equilibrium interest rate. C,E
38. Identify the three tools of monetary policy and explain how each may be employed the Federal Reserve to expand or contract the money supply. C,E
39. Describe the demand-side transmission mechanism of monetary policy. C,E
40. Define economic profit, accounting profit, fixed costs and variable costs. A,E
41. Explain the law of diminishing returns. A,E
42. Compute and graph AFC, AVC, ATC and MC when given total cost data. A,E
43. List the causes of economies of scale and diseconomies of scale. A,E
44. List the characteristics of perfect competition. A,E
45. Use MR/MC approach to determine the profit maximizing output in the short run. A,E
46. Define monopoly and explain the conditions under which it arises. A,E
47. Define price discrimination and its necessary conditions. (Ch. 10) A, E
48. Define monopolistic competition and explain how price and output are determined. (Ch. 11) A, E
49. Define oligopoly and explain why the price might be sticky in an oligopoly market structure. (Ch 11) A, 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 at least one major individual or group project related 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:

92 - 100	A
89 - 91	B+
82 - 88	B
79 - 81	C+
72 - 78	C
65 - 71	D
Below 65	F

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 Online Catalog*)

B. Academic Dishonesty:

Plagiarism, cheating, and other forms of academic dishonesty are prohibited. Students guilty of academic misconduct, either directly or indirectly through participation or assistance, are immediately responsible to the instructor of the class. In addition to other possible disciplinary sanctions which 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. (*Pellissippi State Online Catalog*)

C. Accommodations for disabilities:

Students who need accommodations because of a disability, have emergency medical information to share, or need special arrangements in case the building must be evacuated should inform the instructor immediately, privately after class or in her or his office. Students must present a current accommodation plan from a staff member in Services for Students with

Disabilities (SSWD) in order to receive accommodations in this course. Services for Students with Disabilities may be contacted by going to Goins 134 or 126 or by phone: 694-6751(Voice/TTY) or 539-7153. More information is available at www.pstcc.edu/departments/swd/.

D. Computer Usage Guidelines:

College-owned or –operated computing resources are provided for use by students of Pellissippi State. All students are responsible for the usage of Pellissippi State’s computing resources in an effective, efficient, ethical and lawful manner. (*Pellissippi State Online Catalog*)