

PELLISSIPPI STATE COMMUNITY COLLEGE
MASTER SYLLABUS

**MACROECONOMICS
ECON 2010**

Class Hours: 3.0

Credit Hours: 3.0

Laboratory Hours: 0

Date Revised: Fall 2014

Catalog Course Description:

A study of basic macroeconomic concepts, including gross domestic product, economic growth, unemployment and inflation. Also includes a thorough examination of both fiscal and monetary policy.

Entry Level Standards:

Students must be able to read and write at the college level.

Prerequisites:

None

Co-requisites:

College-level math

Textbook(s) and Other Course Materials:

Required Textbook: *Macroeconomics: Principles, Application, and Tools*, (8th edition), O'Sullivan, Arthur, Steven M. Sheffrin, and Stephen J. Perez, Pearson Education, 2014. ISBN: 9781269737531
(NOTE: This ISBN is for instructor-selected, customized material and includes the access code for *MyEconLab*.)

I. Week/Unit/Topic Basis:

Week	Chapter	Topic
1	Chapter 1	What is Economics?
2	Chapter 2	The Key Principles of Economics
3	Chapter 4	Demand, Supply, and Market Equilibrium
4	Chapter 4	Demand, Supply, and Market Equilibrium
5	Chapter 5	Measuring a Nation's Production and Income
6	Chapter 6	Unemployment and Inflation
7	Chapter 16	The Dynamics of Inflation and Unemployment
8	Chapter 11	The Income-Expenditure Model
9	Chapter 11	The Income-Expenditure Model (cont.)

10	Chapter 9	Aggregate Demand and Aggregate Supply
11	Chapter 10	Fiscal Policy
12	Chapter 13	Money and the Banking System
13	Chapter 14	The Federal Reserve and Monetary Policy
14	Chapter 17	Macroeconomic Policy Debates
15		Final Exam

II. Course Goals*:

The course will:

- A. Guide students to understand and utilize the basic principles of economics in a macroeconomic context. I,II,III,IV,V,VII
- B. Foster the ability to critically analyze economic policies from opposing theoretical perspectives. I, II, III, IV, V, VII
- C. Enhance student knowledge of the main problems of macroeconomics, including economic growth, unemployment, and inflation/deflation. I, II, III, IV, V, VII
- D. Expand student knowledge of fiscal policy. I, II, III, IV, V, VII
- E. Expand student knowledge of money, banking, and monetary policy. I,II, III,IV, V, VII

*Roman numerals after course objectives reference goals of TBR's General Education Goals.

III. Expected Student Learning Outcomes*:

Students will be able to:

- 1 Explain how economics is related to scarcity. A
- 2 Identify the five factors of production and provide examples. A
- 3 Identify the 3 key economic questions. A
- 4 Be able to identify and apply the four elements of the economic way of thinking. A
- 5 Interpret the concepts of (1) opportunity cost and (2) the law of increasing opportunity cost. A
- 6 Construct a production possibilities curve, analyze points on and around the curve, and interpret shifts of the curve. A
- 7 Be able to identify and apply the marginal principle. A
- 8 Be able to identify and apply the principle of voluntary exchange. A
- 9 Be able to identify and apply the principle of diminishing returns. A
- 10 Be able to identify and apply the real-nominal principle. A

- 11 Define and graph demand and supply; state the laws of demand and supply. A
- 12 Be able to distinguish between a change in quantity demanded and a change in demand. A
- 13 Be able to distinguish between a change in quantity supplied and a change in supply. A
- 14 Be able to determine the amount of surplus or shortage in a market. A
- 15 Identify and list the factors that shift demand and supply and explain how these shifts affect equilibrium price and quantity. A
- 16 Define GDP and compute GDP using the components of the expenditure approach, given the appropriate information. A, C
- 17 Distinguish between nominal GDP and real GDP and be able to calculate both. A, C
- 18 Define and analyze the phases of the business cycle. A, C
- 19 Define full employment and the process used to measure the unemployment rate. A, C
- 20 Define discouraged workers and marginally attached workers and explain their importance. A, C
- 21 Describe frictional, structural, and cyclical unemployment. A, C
- 22 Compare and contrast demand-pull and cost-push inflation and use the CPI to measure inflation rates. A, C
- 23 Define deflation and explain why it is harmful to the economy. A, C
- 24 Be able to define the natural rate of unemployment and why it changes over time. A, C
- 25 Define and discuss several historical examples of hyperinflation. A, B, C
- 26 Define MPC, and MPS, and calculate both the spending and tax multipliers. A, B, C
- 27 Identify the reasons for changes in autonomous consumption that shift the consumption function. A, B, C
- 28 Calculate the spending and tax multipliers and use them to determine the effects of changes in fiscal policy. A, B, C, D
- 29 Explain how the automatic stabilizers work to lessen the severity of unemployment and inflation. A, B, C, D
- 30 Define aggregate demand and aggregate supply and construct an AD-AS diagram. A, B, C
- 31 Identify the factors that shift both the aggregate demand and aggregate supply curves. A, B, C
- 32 Explain how/when both expansionary and contractionary fiscal policies are used. A, B, C, D,
- 33 Be able to describe the historical events that have helped to shape U.S. fiscal policy. A, B, C, D
- 34 Identify and define the three properties of money, and explain what backs the money supply in the U.S. economy. A, B, C, E
- 35 Calculate required and excess reserves for a bank and determine its money creating ability. A, B, C, E
- 36 Describe the structure of the U.S. banking system. A, B, C, E

- 37 Calculate required and excess reserves for a bank and determine its money creating ability. A, B, C, E
- 38 Calculate the money multiplier and determine when it should be used. A, B, C, E
- 39 Diagram the money market and determine the equilibrium interest rate. A, B, C, E
- 40 Identify the tools of monetary policy and explain how they are employed the Federal Reserve to expand or contract the money supply. A, B, C, E
- 41 Explain the effects of budget deficits on the economy. A, B, C, D
- 42 Explain the arguments for and against inflation targeting by the Federal Reserve. A, B, C, E
- 43 Explain the arguments for and against the use of a consumption tax. A, B, C, D

*Capital letters after Expected Student Learning Outcomes reference the course goals listed above.

IV. Evaluation:

A. Testing Procedures: 60% to 70% of total grade

A minimum of three major tests is recommended. Exams will consist of multiple-choice, true-false, and/or short answer questions.

B. Laboratory Expectations:

None

C. Field Work:

None

D. Other Evaluation Methods: 30% - 40% of total grade

In-class work, homework, quizzes, and other assignments 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

V. Policies:

A. Attendance Policy:

Pellissippi State expects students to attend all scheduled instructional activities. As a minimum, students in all courses (excluding distance learning courses) must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. Individual departments/programs/disciplines, with the approval of the vice president of Academic Affairs, may have requirements that are more stringent. In very

specific circumstances, an appeal of the policy may be addressed to the head of the department in which the course was taken. If further action is warranted, the appeal may be addressed to the vice president of Academic Affairs.

B. Academic Dishonesty:

Academic misconduct committed either directly or indirectly by an individual or group is subject to disciplinary action. Prohibited activities include but are not limited to the following practices:

- Cheating, including but not limited to unauthorized assistance from material, people, or devices when taking a test, quiz, or examination; writing papers or reports; solving problems; or completing academic assignments.
- Plagiarism, including but not limited to paraphrasing, summarizing, or directly quoting published or unpublished work of another person, including online or computerized services, without proper documentation of the original source.
- Purchasing or otherwise obtaining prewritten essays, research papers, or materials prepared by another person or agency that sells term papers or other academic materials to be presented as one's own work.
- Taking an exam for another student.
- Providing others with information and/or answers regarding exams, quizzes, homework or other classroom assignments unless explicitly authorized by the instructor.
- Any of the above occurring within the Web or distance learning environment.

Please see the Pellissippi State Policies and Procedures Manual, Policy 04:02:00 Academic/Classroom Conduct and Disciplinary Sanctions for the complete policy.

C. Accommodations for disabilities:

Students that 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 Disability Services (DS) in order to receive accommodations in this course. Disability Services may be contacted by sending email to disabilityservices@pstcc.edu, or by visiting Alexander 130. More information is available at <http://www.pstcc.edu/sswd/>.