

Pellissippi State Community College
Master Syllabus

MACROECONOMICS
ECON 2010

Class Hours: 3.0

Instructor:

Laboratory Hours: 0

Office:

Credit Hours: 3

Phone:

Revised: July 2011

Email:

Note: This course is designed for transfer credit to selected institutions.

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.

Co-requisite: College-level math.

Textbook and Other Supplies:

Required Textbook: *Economics: Principles, Problems, and Policies*, (19th edition), McConnell, Campbell R., Stanley R. Brue, and Sean M. Flynn, McGraw-Hill Irwin, 2011. **ISBN:** 0077536908

(**NOTE:** This ISBN is for selected material. This is a custom version of the textbook for sale at Pellissippi State campus bookstores **ONLY**. The ISBN for the full version of the textbook is: **ISBN:** 13: 978-0-07-351144-3)

I. WEEK/UNIT/TOPIC BASIS:

- 1 Chapter 1 Limits, Alternatives, and Choices
- 2 Chapter 2 The Market System and the Circular Flow
- 3 Chapter 3 Demand, Supply, and Market Equilibrium
- 4 Chapter 24 Measuring Domestic Output and National Income
- 5 Chapter 25 Economic Growth
- 6 Chapter 26 Business Cycles, Unemployment, and Inflation
- 7 Chapter 27 Basic Macroeconomic Relationships
- 8 Chapter 28 The Aggregate Expenditures Model
- 9 Chapter 29 Aggregate Demand and Aggregate Supply

- 10 Chapter 30 Fiscal Policy, Deficits, and Debt
- 11 Chapter 30 Fiscal Policy, Deficits, and Debt (Continued)
- 12 Chapter 31 Money, Banking, and Financial Institutions
- 13 Chapter 32 Money Creation
- 14 Chapter 33 Interest Rates and Monetary Policy
- 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,VI
- B. Foster the ability to critically analyze economic policies from opposing theoretical perspectives. I, II, III, IV, VII
- C. Enhance student knowledge of the main problems of macroeconomics, including economic growth, unemployment, and inflation/deflation. I, II, III, IV, VI
- D. Expand student knowledge of fiscal policy. I, II, III, IV, VI
- E. Expand student knowledge of money, banking, and monetary policy. I,II, III,IV,VI

III. EXPECTED STUDENT LEARNING OUTCOMES:

Students will be able to:

1. Explain how economics is related to scarcity. A
2. Identify the four factors of production and provide examples. A
3. Interpret the concepts of (1) opportunity cost and (2) the law of increasing opportunity cost. A
4. Construct a production possibilities curve, analyze points on and around the curve, and interpret shifts of the curve. A
5. Identify and explain the fundamental characteristics of the market system. A
6. Define and graph demand and supply; state the laws of demand and supply. A
7. Identify and list the factors that shift demand and supply; determine equilibrium price and quantity. A
8. Define GDP and compute GDP using the expenditure approach, given national income data. A, C
9. Distinguish between nominal GDP and real GDP. A, C
10. Define and analyze the phases of the business cycle. A, C
11. Define full employment and the process used to measure the unemployment rate. A, C
12. Define discouraged workers and underemployment and discuss their importance. A, C
13. Describe frictional, structural, and cyclical unemployment. A, C
14. Compare and contrast demand-pull and cost-push inflation and describe how the CPI is used to measure inflation rates. A, C
15. Define APC, APS, MPC, and MPS, and calculate the spending multiplier. A, B, C
16. Identify the non-income determinants of consumption. A, B, C
17. Identify the non-interest-rate determinants of investment. A, B, C
18. Define recessionary and inflationary gaps. A, B, C
19. Define aggregate demand and aggregate supply and construct an AD-AS diagram. A, B, C

20. Identify the factors that shift both the aggregate demand and aggregate supply curves. A, B, C
21. Calculate the spending and tax multipliers and use them to determine the effects of changes in fiscal policy. A, B, C, D
22. Explain how/when both expansionary and contractionary fiscal policies are used. A, B, C, D,
23. Explain the effects of budget deficits on the economy. A, B, C, D
24. Identify and define the three functions of money, and explain what backs the money supply in the U.S. economy. A, B, C, E
25. Describe the structure of the U.S. banking system. A, B, C, E
26. Calculate required and excess reserves for a bank and determine its money creating ability. A, B, C, E
27. Calculate the money multiplier and determine when it should be used. A, B, C, E
28. Diagram the money market and determine the equilibrium interest rate. A, B, C, E
29. 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
30. Describe the demand-side transmission mechanism of monetary policy. A, B, C, E

IV. **EVALUATION:**

A. Testing Procedures: 60 – 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: N/A

C. Field Work: N/A

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 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*)

D. Accommodation 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 127, 132, 134, 135, 131 or by phone: 539-7153 or TTY 694-6429. More information is available at www.pstcc.edu/departments/swd/