COURSE INFORMATION FORM

DISCIPLINE: Economics
COURSE TITLE: Macroeconomics
CR.HR: 3 LECT HR: 3 LAB HR: ______ CLIN/INTERN HR: ______ CLOCK HR: ______

CATALOG DESCRIPTION
A basic examination of the principles of economics that apply to the economic system in the aggregate. Topics include opportunity costs, gains from trade, demand and supply, determination of aggregate output, employment, inflation, and exchange rates, and the role of fiscal and monetary policy in the U.S. and world economy.

PREREQUISITES
MATH 40/43 or appropriate placement scores

EXPECTED STUDENT OUTCOMES IN THE COURSE
Upon completion of this course, the student will be able to:

1. Construct supply and demand curves and specify the equilibrium, surplus, and shortage situations.
2. Assess pure capitalism and the market system.
3. Calculate national accounting information using the expenditure and flow of income approaches.
4. Classify the areas of the business cycle.
5. Analyze aggregate demand and aggregate supply in our economy.
6. Evaluate fiscal and monetary policy actions.
8. Assess the importance of International Trade.
CLASS-LEVEL ASSESSMENT MEASURES

Student accomplishment of expected student outcomes will be assessed using the following measures. (Identify which measures are used to assess which outcomes.)

1. Examinations (1-8)
2. Quizzes (1-8)
3. Term Paper (1-8)

PROGRAM-LEVEL OUTCOMES ADDRESSED

General Education Outcomes
Specify which general education outcomes, if any, are substantially addressed by the course by completing the “Course/Program Assessment Matrix” to show the relationship between course and program outcomes and assessment measures.

Occupational Program Outcomes
Specify which occupational program outcomes, if any, are substantially addressed by the course by completing the “Course/Program Assessment Matrix” to show the relationship between course and program outcomes to assessment measures.
Individual instructors may order this outline as fits the needs of their individual courses. In addition, they may place more emphasis on some areas than on others. What is assured is that this particular list is covered in the course. Other topics may be added to a course as the instructor sees fit, and as time and interest allow. An *asterisk can be used to mark an item as optional.

I. An introduction to economics and the economy
   A. Nature and method of economics
      1. Economic perspective
      2. Economic methodology
   B. Economizing problem
      1. Foundation of economics
      2. Employment and efficiency
      3. Unemployment, growth and the future
      4. Economic systems
      5. Circular flow model
   C. Understanding individual markets: demand and supply
      1. Demand
      2. Supply
      3. Demand and supply: market equilibrium
   D. Pure capitalism and the market system
      1. Capitalist ideology
      2. Competitive market system
   E. Mixed economy: private and public sectors
      1. Households
      2. Business
      3. Economic functions of government
   F. The United States in the global economy
      1. World trade
      2. Specialization and comparative advantage
      3. Foreign exchange market
      4. Government and trade

II. National income, employment and fiscal policy
   A. Measuring domestic output, national income, and the price level
      1. Gross domestic product
      2. Expenditures approach
      3. Income approach
4. Consumer price index

B. Macroeconomic instability: unemployment and inflation
   1. Business cycle
   2. Unemployment
   3. Inflation

C. Building the aggregate expenditure model
   1. Historic backdrop
   2. Tools of the aggregate expenditures model

D. Aggregate expenditures: the multiplier, net export and government
   1. Changes in equilibrium GDP and the multiplier
   2. International trade and equilibrium output
   3. Adding the public sector

E. Aggregate demand and aggregate supply
   1. Aggregate demand
   2. Aggregate supply
   3. Equilibrium: real output and the price level

F. Fiscal policy
   1. Discretionary fiscal policy
   2. Built-in stabilizers

III. Money, banking and monetary policy
A. Money and banking
   1. Functions of money
   2. Supply of money
   3. Demand for money
   4. Federal Reserve and the banking system
B. How banks create money
   1. Balance sheet of a commercial bank
   2. Goldsmiths
   3. Single commercial bank
   4. Banking system: multi-deposit expansion
C. Monetary policy
   1. Goal of monetary policy
   2. Tools of monetary policy
   3. Monetary policy, real GDP, and the price level

IV. Problems and controversies in macroeconomics
A. Extending the analysis of aggregate supply
   1. Short-run and long-run aggregate supply
   2. Phillips curve
   3. Natural-rate hypothesis
   4. Supply-side economics
B. Disputes in macro theory and policy
1. Classics and Keynes
2. What causes macro instability?
3. Does the economy “self-correct”? 
4. Rules or discretion?

C. Economic growth
1. Economic growth
2. Ingredients of growth
3. Accounting for growth

D. Budget deficits and the public debt
1. Deficits and debt
2. Budget philosophies
3. Public debt
4. Budget deficits and trade deficits

V. International economics and the world economy
A. International trade
1. Facts of international trade
2. Economic basis of trade
3. Comparative advantage
4. Trade barriers
5. Protection

B. Exchange rates, the balance of payments, and the trade deficit
1. Financing international trade
2. Balance of payments
3. Flexible exchange rates
4. Recent U.S. trade deficits

*C. Economics of developing countries
1. Rich and the poor
2. Obstacles of economic development
3. Role of government
4. Role of advanced nations

*D. Transition economies
1. State ownership and central planning
2. Problems with central planning
3. Collapse of the Soviet Economy
4. Market reforms in China