SYLLABUS

DATE OF LAST REVIEW: 03/2013

CIP CODE: 24.0101

SEMESTER: Departmental Syllabus

COURSE TITLE: Principles of Macroeconomics

COURSE NUMBER: ECON-0201

CREDIT HOURS: 3

INSTRUCTOR: Departmental Syllabus

OFFICE LOCATION: Departmental Syllabus

OFFICE HOURS: Departmental Syllabus

TELEPHONE: Departmental Syllabus

EMAIL: KCKCC- “issued email accounts are the official means for electronically communicating with our students.”

PREREQUISITIES: None

REQUIRED TEXT AND MATERIALS: Please check with the KCKCC bookstore, http://www.kckccbookstore.com/, for the required texts for your particular class.

DESCRIPTION OF COURSE:
This course is designed to familiarize students with the basic concepts, methods and theories in the field of economics. As a social science, economics is concerned with scarcity of resources and all of the problems and concerns as a result. Beginning with an introduction to the field of economics, history of economic thought, economic theories and methodology, this course examines macro-structural issues such as Gross Domestic Product (GDP), unemployment, inflation, stagflation, Fiscal policy, Keynesian economics, Money and Banking, Monetary policy, Monetarism, economic growth and development, international trade and finance, and selected contemporary issues.

METHOD OF INSTRUCTION: A variety of instructional methods may be used depending on content area. These include but are not limited to: lecture, multimedia, cooperative/collaborative learning, labs and demonstrations, projects and presentations, speeches, debates, panels, conferencing, performances, and learning experiences outside the classroom. Methodology will be selected to best meet student needs.

CORE OUTCOMES MISSION STATEMENT: The Core Outcomes Project is an academic initiative of the Kansas Board of Regents that brings together faculty for the purpose of developing core outcomes and competencies for general education courses from the state’s
universities, community colleges, and technical colleges. Common core outcomes and competencies contribute to the state’s system of higher education by creating a seamless pathway for students by improving articulation and transfer between state institutions, facilitating communication within disciplines among the state’s faculty, and communicating to the state’s secondary schools the expectations of college-level curriculum that could result in improvements in college preparedness of students.

**CORE OUTCOMES SYLLABI:** The learning outcomes and competencies detailed in this syllabus meet or exceed the learning outcomes and competencies specified by the Kansas Core Outcomes Project for this course, as sanctioned by the Kansas Board of Regents.

**COURSE OUTLINE:**

I. Major Concepts in Economics
   A. Scarcity and choice
   B. Macro vs. microeconomics
   C. Positive vs. normative economics
   D. Factors of production

II. Analysis of Economic Systems
   A. Production possibility frontier
   B. The economic problem
   C. Specialization and exchange
   D. Property rights

III. Introduction to Supply and Demand
   A. Supply
      1. The supply curve
      2. Factors that cause supply curves to shift
   B. Demand
      1. The law of demand
      2. Factors that cause demand curves to shift
   C. Equilibrium of demand and supply
      1. What the market accomplishes
      2. Effects of price ceilings
   D. Changes in equilibrium price

IV. Measuring the National Economy
   A. Dynamic measures of the economy
      1. Unemployment
      2. Inflation
      3. Business cycles
   B. The circular flow of economic activity
   C. National income accounting
      1. Gross national product/gross domestic product
      2. Real gross national product
      3. National income
      4. Leakages equal injections
      5. Balance of trade

V. The Keynesian Income/Expenditure Model
   A. The Classical model
   B. The income/expenditure approach
      1. Consumption, income, and savings
      2. The marginal propensities
3. Other factors that affect consumption

C. Equilibrium income and expenditures
D. Multipliers
E. The theory of investment

VI. Aggregate Demand and Aggregate Supply
A. Aggregate demand curve
B. Aggregate supply
C. Short-run equilibrium
   1. Supply shocks
   2. Shifts in aggregate demand
   3. Inflationary and deflationary gaps
D. Long-run equilibrium

VII. Fiscal Policy
A. Automatic stabilizers
B. Taxation
C. Discretionary fiscal policy
D. Link between government and trade deficits
E. Effectiveness of fiscal policy
   1. Multipliers and crowding out
   2. Lags in fiscal policy
F. Line-item veto and balanced budget amendment

VIII. Money and Prices
A. The functions of money
B. The supply of money
C. The relationship between money and prices
   1. Classical quantity theory of money
   2. The velocity of circulation
   3. The equation of exchange
   4. Changes in money supply and prices

IX. Commercial Banking and the Federal Reserve
A. Commercial banking
B. How banks create money
   1. Monetization of debt
   2. The deposit multiplier
   3. Money expansion in the real world-the money multiplier
C. International banking
D. The Federal Reserve
   1. History and function
   2. Present role
E. The FDIC (Federal Deposit Insurance Corporation) and FSLIC (Federal Savings and Loan)

X. Monetary Policy
A. Policy tools
B. Keynesian monetary policy
C. Money growth and interest rate targeting
D. Problems of monetary policy
   1. Lags in monetary policy
   2. Problems of controlling the money supply
   3. Knowing the money multiplier
E. Independence of the Federal Reserve Bank

XI. Inflation and Unemployment
   A. Inflation
      1. Demand-side and supply-side inflation
      2. Monetary growth and inflation
      3. Inflation and interest rates
      4. Inflation expectations
   B. Changes in the natural rate of unemployment
   C. The Phillips curve
      1. The breakdown of the Phillips curve
      2. The short-run and long-run Phillips curves

XII. Stabilization Policy
   A. Implications of the Phillips curves
   B. Activism versus non activism
   C. New policy directions

Macroeconomics – ECON 0201 CORE OUTCOMES:

Upon completion of the above listed course, students will be able to do the following:

1. Explain the economic way of thinking by applying the following: scarcity, specialization, opportunity cost, marginal analysis, and production possibility.

2. Apply the supply and demand model for economic analysis.

3. Define the key macroeconomic indicators used to measure the performance of the aggregate economy including output, price level, and employment.

4. Utilize the aggregate demand and aggregate supply model to explain the amount of goods/services produced, the level of unemployment, and price level.

5. Define fiscal policy, budget deficits, and the national debt and explain their impact on the macroeconomy.

6. Define money, banking, and monetary policy and explain their impact on the macroeconomy.

COURSE COMPETENCIES:

*Explain the economic way of thinking by applying the following: scarcity, specialization, opportunity cost, marginal analysis, and production possibility.*

1. The student will be able to identify measures of the national economy, and describe how they are compiled and analyzed
2. The student will be able to describe the aggregate demand and supply curves and causes of equilibrium.
3. The student will be able to describe the determinants of supply and demand, and the effect on equilibrium price.
4. The student will be able to identify determinants of fiscal policy, and describe their impact on government decisions.
5. The student will be able to describe the implications of the Phillips curves.

**Apply the supply and demand model for economic analysis**

6. The student will be able to describe the 'automatic stabilizers' and how they function.
7. The student will be able to explain the market impact of a market shortage and a market surplus.
8. The student will be able to describe the 'Classical Model'.
9. The student will be able to explain the foundations and implications of Say’s Law.
10. The student will be able to explain the Keynesian theory of recessions and inflation.
11. The student will be able to describe the Keynesian income/expenditure model.

**Define the key macroeconomic indicators used to measure the performance of the aggregate economy including output, price level, and employment.**

12. The student will be able to describe the causes and effects of unemployment.
13. The student will be able to describe the causes and effects of inflation.
14. The student will be able to describe and analyze major economic systems.
15. The student will be able to describe how ‘real GDP’ is derived from nominal data.
16. The student will be able to describe the limitation of fiscal policy.

**Utilize the aggregate demand and aggregate supply model to explain the amount of goods/services produced, the level of unemployment, and price level.**

17. The student will be able to describe the relationship between money and prices
18. The student will be able to describe the functions of the federal reserve system.
19. The student will be able to describe commercial banking procedures.
20. The student will be able to describe the relevance of the fractional reserve ratio to the banking multiplier.
21. The student will be able to describe the theory of counter cyclical monetary policy.

**Define the fiscal policy, budget deficits, and the national debt and explain their impact on the macroeconomy.**

22. The student will be able to describe how macro-economics relates to his/her community and personal life.
23. The student will be able to explain the Marxian theory of recession.
24. The student will be able to describe the major differences between USA and European approaches to stabilization and growth.

**Define money, banking, and monetary policy and explain their impact on the macroeconomy.**

25. The student will be able to define the major concepts in economics.
26. The student will be able to describe the evolution of international monetary system and its impact on global inequality.
27. The student will be able to explain the impact of an inequality of leakages and injections.
28. The student will be able to describe international trade, comparative advantage and absolute advantage.
29. The student will be able to explain globalization and internationalization of production.
30. The student will be able to describe the relationship between money and prices.

**ASSESSMENT OF LEARNERS OUTCOMES:**
The student's performance on the 5 exams is the means of assessing learner outcomes and for determining the student's grade. The grading scale is: 90%=A, 80%=B, 70%=C, 60%=D.

Withdrawal is the student's responsibility.

SPECIAL NOTES:
This syllabus is subject to change at the discretion of the instructor. Material included is intended to provide an outline of the course and rules that the instructor will adhere to in evaluating the student’s progress. However, this syllabus is not intended to be a legal contract. Questions regarding the syllabus are welcome any time.

Kansas City Kansas Community College is committed to an appreciation of diversity with respect for the differences among the diverse groups comprising our students, faculty, and staff that is free of bigotry and discrimination. Kansas City Kansas Community College is committed to providing a multicultural education and environment that reflects and respects diversity and that seeks to increase understanding.

Kansas City Kansas Community College offers equal educational opportunity to all students as well as serving as an equal opportunity employer for all personnel. Various laws, including Title IX of the Educational Amendments of 1972, require the college’s policy on non-discrimination be administered without regard to race, color, age, sex, religion, national origin, physical handicap, or veteran status and that such policy be made known.

Kansas City Kansas Community College complies with the Americans with Disabilities Act. If you need accommodations due to a documented disability, please contact Director of Academic Resource Center, in Room 3354 or call (913) 288-7670.
Learning Outcomes
Discipline knowledge and content mastery is expected of all graduates. More specifically, KCKCC is committed to the Learning Outcomes listed below. We believe that competence in the Learning Outcomes is essential for the success of graduates and will enhance their ability to become contributing members of our increasingly complex world. These areas of knowledge and skills are equally valid for all KCKCC graduates, whether they transfer to a four-year college or pursue a career after leaving college.

General Education Learning Outcomes
Communication Learning Outcomes
The learner will have the ability to express, interpret, and modify ideas/information effectively (both written and oral), including but not limited to reading text accurately and correctly; writing with a clear purpose and effective organization; speaking effectively using appropriate styles that suit the message, purpose, and content; and employing active listening techniques.

Computation Learning Outcomes
The learner will have the ability to understand and apply mathematical concepts and reasoning using numerical data.

Critical Reasoning Learning Outcomes
The learner will understand inductive and deductive reasoning and have the ability to define problems and use data (qualitative and quantitative) to make complex decisions utilizing analysis, synthesis, and evaluation skills.

Technology and Information Management Learning Outcomes
The learner will have the ability to define, collect, organize, analyze, and evaluate information from a variety of sources. The learner will also have the ability to understand basic technology concepts and functionality in order to use technology as a tool to locate and retrieve information.

Community and Civil Responsibility Learning Outcomes
The learner will demonstrate knowledge, awareness, and understanding of diverse ideas, values, and perspectives of a culturally diverse world; an understanding of the ethical issues and values that are prerequisites for making sound judgments and decisions; a recognition of the obligation to become actively involved as a contributing member of the community; and a sensitivity to the awareness of aesthetic expression.

Personal and interpersonal Skills Learning Outcomes
The learner will have the ability to work cooperatively and productively with others; to understand and evaluate his/her capabilities; to manage his/her personal growth by setting realistic and appropriate goals.
SOCIAL AND BEHAVIORAL SCIENCES
STUDENT SUCCESS STRATEGIES

Know your teacher’s name.

Turn off your electronic devices in class/make paying attention to the work of the class your only concern.

Miss class only when you cannot attend/acquire missed information and materials ASAP.

Know your syllabus.

Know the attendance policy.

Know the requirements for tests and assignments.

Know information about final exam and make-up exams.

Know instructor’s position on use of Wikipedia or other online sources.

Know the instructor’s preferred writing style (APA, MLA, etc.).

Always know your grade.

Contact your teacher ASAP with concerns or questions.

Know the benefits of the academic resource center.

Know if your course has a practicum, service learning component, or other exception.

Use an academic planner.

Know the course withdrawal policy.

Know your instructor’s office hours and make appointments when necessary.

Know the school’s scholastic honesty policy.

Be familiar with the course learning objectives, course competencies, and the college’s 21st century learning outcomes for general education.