

## COURSE SYLLABUS

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|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LAST REVIEW</b>        | Spring 2021                                                                                                                                                                                                                                                                       |
| <b>COURSE TITLE</b>       | Macroeconomics                                                                                                                                                                                                                                                                    |
| <b>COURSE NUMBER</b>      | ECON 0201                                                                                                                                                                                                                                                                         |
| <b>DIVISION</b>           | Social and Behavioral Sciences & Public Services                                                                                                                                                                                                                                  |
| <b>DEPARTMENT</b>         | Sociology                                                                                                                                                                                                                                                                         |
| <b>CIP CODE</b>           | 24.0101                                                                                                                                                                                                                                                                           |
| <b>CREDIT HOURS</b>       | 3                                                                                                                                                                                                                                                                                 |
| <b>CONTACT HOURS/WEEK</b> | Class: 3                                                                                                                                                                                                                                                                          |
| <b>PREREQUISITES</b>      | None                                                                                                                                                                                                                                                                              |
| <b>COURSE PLACEMENT</b>   | Students must meet the correct placement measure for this course. Information may be found at:<br><a href="https://www.kckcc.edu/admissions/information/mandatory-evaluation-placement.html">https://www.kckcc.edu/admissions/information/mandatory-evaluation-placement.html</a> |

### COURSE DESCRIPTION

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.

### KANSAS SYSTEMWIDE TRANSFER: EOC 1020

The learning outcomes and competencies detailed in this course outline or syllabus meet or exceed the learning outcomes and competencies specified by the Kansas Core Outcomes Groups project for this course as approved by the Kansas Board of Regents.

#### General Education Learning Outcome

- Basic Skills for Communication
- Mathematics
- Humanities
- Natural and Physical Sciences
- Social and Behavioral Sciences

#### Institutional Learning Outcomes

- Communication
- Computation and Financial Literacy
- Critical Reasoning

- Technology and Information Literacy
- Community and Civic Responsibility
- Personal and Interpersonal Skills

## **TEXTBOOKS**

<http://kckccbookstore.com/>

## **METHODS 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.

## **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

## **COURSE LEARNING OUTCOMES AND COMPETENCIES**

Upon successful completion of this course, the student will:

- A. CLO #1 Explain and apply the general laws of demand and supply.
  - 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.
- B. CLO #2 The student will be able to apply basic graphical and mathematical skills to model and analyze macroeconomics phenomena.
  - 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.
- C. CLO #3 The student will be able to describe the logic and methods of 'real' GDP Accounting.

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.
- D. CLO #4 The student will be able to describe the Keynesian critique of the Classical model.
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.
- E. CLO #5 The student will be able to describe theories and types of unemployment and inflation.
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.
- F. CLO #6 The student will be able to describe the theory and practice of demand side fiscal policy.
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.
- G. CLO #7 The student will be able to explain fractional reserve banking and the money creation process.
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.
- H. CLO #8 The student will be able to describe the theory and procedures of monetary policy.
21. The student will be able to describe the theory of counter cyclical monetary policy.
- I. CLO #9 The student will be able to describe the major contemporary controversies regarding counter cyclical policy.
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.
- J. CLO #10 The student will be able to describe international trade and monetary system.
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 COURSE LEARNING OUTCOMES AND COMPETENCIES**

Student progress is evaluated through both formative and summative assessment methods. Specific details may be found in the instructor's course information document.

### **COLLEGE POLICIES AND PROCEDURES**

*Student Handbook*

<https://www.kckcc.edu/files/docs/student-resources/student-handbook-and-code-of-conduct.pdf>

*College Catalog*

<https://www.kckcc.edu/academics/catalog/index.html>

*College Policies and Statements*

<https://www.kckcc.edu/about/policies-statements/index.html>

*Accessibility and Accommodations*

<https://www.kckcc.edu/academics/resources/student-accessibility-support-services/index.html>.