

Lassen Community College Course Outline

ECON-10 Macro-Economics

3.0 Units

I. Catalog Description

An introduction to modern macroeconomic analysis. Emphasis is placed on market systems, aggregate measures of economic activity, fiscal and monetary policy, and public policy recommendations. This course has been approved for online, hybrid, and correspondence delivery. This course may use a free Open Education Resource textbook.

Prerequisite(s): Elementary Algebra or equivalent multiple measure placement

Recommended Preparation: Successful completion of ENGL 105 Introduction to College Composition or equivalent multiple measure placement.

Transfers to both UC/CSU

C-ID ECON 202

CSU GE Area: D2

IGETC GE Area: 4B

General Education Area: B

51 Hours Lecture

Scheduled: Fall

II. Coding Information

Repeatability: Not Repeatable, Take 1 Time

Grading Option: Graded or Pass/No Pass

Credit Type: Credit - Degree Applicable

TOP Code: 220400

III. Course Objectives

A. Course Student Learning Outcomes

Upon completion of this course the student will be able to:

1. Demonstrate an understanding of and the calculations for major aggregate measures of economic activity in an economy.
2. Demonstrate an understanding of major fiscal and monetary policy levers and their intended effects on the macro economy.

B. Course Objectives

Upon completion of this course the student will be able to:

1. Explain the role of scarcity in defining economic choice and scarcity.
2. Describe and define the U.S. economy in terms of size and productivity.
3. Define and describe market demand and supply, how prices are determined, and causes of changes.
4. Explain and calculate Gross Domestic Product measures.
5. Explain major types of unemployment and how they are measured.
6. Define and describe how inflation is measured.
7. Describe business cycles and the nature of aggregate demand and supply.
8. Define and describe primary fiscal and monetary policy levers and how they affect macroeconomic outcomes.

9. Demonstrate an understanding and the nature of debts and deficits.
10. Define and calculate money supply, how banks create money and the money multiplier.
11. Explain and describe trade advantages and their impacts on domestic markets.

IV. Course Content

- A. Economics and Economic Issues
 1. Economy and economics
 2. The language of economics
 3. Economic reality and economic theory
 4. Macroeconomics versus microeconomics
 5. Economic reasoning: Common pitfalls
 6. The first modern economist: Adam Smith
 7. Economic policy
 8. Why economists disagree--The role of ideology
- B. Scarcity, choice, and the economic problem
 1. The economic problem
 2. Basic problems for any economy
 3. Defense spending--How much does it cost?
 4. The variety of economic systems
- C. The mixed economy
 1. Markets and money
 2. Markets and profits
 3. Government's role in the mixed economy
 4. Should profit be the only objective of business?
- D. Demand, supply, and price determination
 1. Demand and demand curves
 2. Supply and supply curves
 3. Market equilibrium--Interaction of supply and demand
 4. Math and science teachers in short supply
 5. Energy consumption and the price of energy--Adjusting to energy shocks
- E. National income and product
 1. Why is National Income Accounting important?
 2. What is gross national product and gross domestic product?
 3. Nominal versus real GDP
 4. What GDP does not measure
 5. The two sides of income accounting
 6. The expenditure side of GDP
 7. The income side of GDP
 8. Related national income accounting concepts
- F. Economic fluctuations, unemployment, and inflation
 1. How the economy moves
 2. Dating business cycle peaks and troughs--When do they occur?
 3. Unemployment and employment
 4. Price change and inflation
 5. The consumer price index--Does it measure the cost of living?
 6. Wage-price controls--A difficult way to curb inflation
 7. Where do we go from here?
 8. The accelerator principle: An insight

- G. Macroeconomic basics
 - 1. The aggregate demand curve
 - 2. The aggregate supply curve
 - 3. Interaction of aggregate demand and supply
 - 4. How have government policies affected perspectives on macroeconomics
 - 5. Perspectives on macroeconomics
- H. Classical and Keynesian theories
 - 1. The classical view of income and employment
 - 2. Aggregate demand and employment--the income-expenditure approach
 - 3. The consumption and saving functions
 - 4. Investment and its determinants
 - 5. Total expenditure and total income--determining equilibrium
 - 6. The great depression--attempts to explain a paradox
- I. Equilibrium income in the Keynesian model
 - 1. Equilibrium and realized versus intended investment
 - 2. Marginal and average propensities to consume and to save
 - 3. Autonomous expenditure change and the multiplier effect
- J. Government spending, taxation, and fiscal policy
 - 1. The government budget
 - 2. Principles of discretionary fiscal policy
 - 3. Automatic stabilizers--nondiscretionary fiscal policy
 - 4. The analysis when price level changes
 - 5. Discretionary versus nondiscretionary expenditures
 - 6. Supply-side economics--Implications for fiscal policy
 - 7. Adding international trade to the analysis
 - 8. Exports, imports, and net exports
 - 9. Determinants of exports and imports
 - 10. Trade and the equilibrium level of GDP
 - 11. Summary of the effects of trade
- K. Budget policy, deficits, and the public debt
 - 1. Budget policy
 - 2. Effects of deficit on the economy
 - 3. Tax reform, the underground economy, and deficits
 - 4. The government debt
 - 5. How did budget deficits get so large?
- L. Inflation, unemployment, and expectations
 - 1. Aggregate demand and supply reviewed
 - 2. Is there inflation--Unemployment trade-off?
 - 3. Accelerationist and new classical views
 - 4. Inflation and the changing nature of unemployment
 - 5. Viewpoints on the costs of reducing inflation
- M. Money and banking
 - 1. The nature of money
 - 2. Money and prices--two cases of hyperinflation
 - 3. The development of banking
 - 4. The federal reserve system--organization and functions
 - 5. A common misconception about the saving-investment process--the role of banks
 - 6. The bank panic problem returns again
- N. Banks, money creation, and the Federal Reserve system
 - The banks

V. Assignments

A. Appropriate Readings

1. The Wall Street Journal
2. Business Week
3. Money
4. U.S. News and World Report

B. Writing Assignments

A Term paper of 3-10 pages, with a title page, table of contents, typed double-spaced with five bibliographical sources.

and/or

A journal of current macroeconomic topics selected by the instructor from recent news pieces that a student must apply basic economic concepts to.

C. Expected Outside Assignments

Research paper and/or journal reflecting on current economic issues.

D. Specific Assignments that Demonstrate Critical Thinking

Students will analyze current economic problems as presented in their paper, journal, and/or homework assignments.

VI. Methods of Evaluation

Traditional Classroom Instruction

Term paper (topic choice, thesis statement, outline, bibliography, rough draft, final draft), homework (analysis of current economic problems), classroom discussion, essay, journals, and multiple choice problems.

Correspondence Evaluation

Same as face to face with the exception of the desired use of proctored exams and exclusion of participation in classroom activities. Students will be expected to complete assignments and activities equivalent to in-class assignments and activities. Written correspondence and a minimum of six opportunities for feedback will be utilized to maintain effective communication between instructor and student.

Hybrid Evaluation

All quizzes and exams will be administered during the in person class time. Students will be expected to complete online assignments and activities equivalent to in class assignments and activities for the online portion of the course. Electronic communication, both synchronous and asynchronous will be evaluated for participation and to maintain effective communication between instructor and students.

Online Evaluation

A variety of methods will be used, such as: research papers, asynchronous and synchronous discussions (chat/forum”, online quizzes and exams, posting to online website and email communications.

VII. Methods of Delivery

Check those delivery methods for which, this course has been separately approved by the Curriculum/Academic Standards Committee.

Traditional Classroom Delivery **Correspondence Delivery**

Hybrid Delivery

Online Delivery

Traditional Classroom Delivery

Lecture, discussion, group work, problem analysis, and interactive exercises

Correspondence Delivery

Assigned readings, instructor-generated typed handouts, typed lecture materials, exercises and assignments equal to face to face instructional delivery. Written correspondence and a minimum of six opportunities for feedback will be utilized to maintain effective communication between instructor and student.

Hybrid Delivery

A combination of traditional classroom and online instruction will be utilized. Each semester a minimum of 17 hours will be taught face-to face by the instructor and the remaining hours will be instructed online through the technology platform adopted by the District. Traditional class instruction will consist of exercises/assignments, lectures, visual aids, and practice exercises. Online delivery will consist of exercises/assignments, lecture posts, discussions, adding extra resources and other media sources as appropriate.

Online Delivery

Participation in forum based discussions. Online exercises/assignments contained on website. Web based video vignettes with discussion paper, email communications, postings to forums, online lecture notes and web links will compromise the method of instruction.

VIII. Representative Texts and Supplies

Open Educational Resource Textbook: Curtis, D. & Irvine, I. (2017). *Macroeconomics: Theory, Models & Policy*. Lyryx Learning. Available in class canvas section (free), online

(https://laecon1.lyryx.com/textbooks/OPEN_CURTIS_MAC_1/marketing/CurtisIrvine-Macroeconomics-2017A.pdf) or LCC Bookstore (minimal cost for printing).

IX. Discipline/s Assignment

Economics, Business

X. Course Status

Current Status: Active

Original Approval Date: 5/8/1990

Revised By: Andy Rupley

Curriculum/Academic Standards Committee Revision Date: 03/21/2023