

**HIBBING COMMUNITY COLLEGE
COURSE OUTLINE**

COURSE NUMBER & TITLE: ECON 1010 - Macroeconomics

CREDITS: 3 (Lecture 3/Lab 0)

PREREQUISITES: College level reading strongly recommended.

CATALOG DESCRIPTION:

Macroeconomics examines the market system (supply and demand), the business cycle, inflation, unemployment, classical economics, Keynesian economics, Monetarism, fiscal and monetary policy, the national debt, and international trade, international finance, and developing and transitional economies. MNTC goal areas: (5) History/Social/Behavioral Sciences and (8) Global Perspective.

OUTLINE OF MAJOR CONTENT AREAS:

- I. Introduction to economics
 - A. Art and science of economic analysis
 - B. Tools of economic analysis
 - C. The market system
 - D. Major players in the economy
- II. Fundamentals of macroeconomics
 - A. Introduction to macroeconomics
 - B. Measuring economic aggregates
 - C. Circular flow of income
 - D. Unemployment
 - E. Inflation
 - F. Aggregate demand
 - G. Aggregate expenditure
 - H. Aggregate supply
 - I. Classical and Keynesian economics
- III. Fiscal and monetary policy
 - A. Fiscal policy, aggregate demand, and equilibrium output
 - B. Money and the financial system
 - C. Banking and the money supply
 - D. Monetary theory and policy
 - E. The policy debate
 - F. Budgets, deficits, and public policy
- IV. The international setting

- A. International trade
- B. International finance
- C. Developing and transitional economies

COURSE GOALS/OBJECTIVES/OUTCOMES:

The student will

1. identify the basic tools used in economic analysis and apply these tools to the investigation of human economic behavior.
2. examine and critique alternative economic systems.
3. develop a model of the economy using demand and supply.
4. examine and use the circular flow model.
5. analyze classical and Keynesian economics, and Monetarism.
6. define and calculate opportunity cost, comparative advantage and absolute advantage.
7. explain and interpret the production possibilities frontier.
8. construct a demand schedule, supply schedule, demand curve and supply curve.
9. calculate and employ the Gross Domestic Product(GDP) price deflator to determine the real growth in the economic system.
10. calculate and employ the Consumer Price Index (CPI) to determine inflation and what affect it will have on purchasing power.
11. use and critique alternative explanations for unemployment.
12. develop alternative explanations for inflation and economic growth.
13. develop and interpret the income-expenditure model.
14. define aggregate demand and supply.
15. explain what determines aggregate demand and supply.
16. examine how aggregate demand and supply affect real GDP and the price level.
17. calculate and apply the multiplier.
18. predict the effect of changes in aggregate demand and supply on real GDP and the price level.
19. explain the relationship between the aggregate expenditure curve and the aggregate demand curve.
20. examine fiscal policy and its ramifications on the economy.
21. define money, state its functions, and describe the different forms of money.
22. examine the economic functions of banks and other financial intermediaries and how they can create money.
23. describe the structure of the Federal Reserve System and the monetary policy which it uses.
24. examine the government's budget deficit and the national debt.
25. explain comparative advantage and how this will lead to all countries benefitting from international trade.

26. explain how trade will not be in balance when prices are not in balance and how global prices will adjust to bring about balanced trade.
27. show how economies of scale and diversity of taste lead to gains from international trade.
28. define what trade restrictions are and explain how those trade restrictions lower the volume of imports and exports.
29. examine the history and development of the international monetary system and how countries can play the exchange rate game.
30. analyze a country's balance of payments account and explain what determines the amount of international borrowing and lending.
31. analyze what determines interest rates and why they vary so much from one country to another.
32. examine how international trade and foreign aid affect economic development.
33. examine developing and transitional economies.

MNTC GOALS AND COMPETENCIES MET:

History and the Social and Behavioral Sciences a, b, c, and d
Global Perspective

HCC Core Competencies:

Thinking creatively and critically.

STUDENT CONTRIBUTIONS:

The student will attend class regularly, participate in class discussion, and complete assignments, exams, and a final examination. Students should spend at least 5 hours per week preparing for class.

***To request disability accommodations, please contact
student services (218) 262-6712.***

Students are encouraged to discuss their individual needs with instructor.

METHODS FOR EVALUATING STUDENT LEARNING:

The final grade is determined by assignments, unit exams and a final examination.

AASC Review Date: November 6, 2007

Review Date: November 2012
