

EASTERN ARIZONA COLLEGE

Principles of Macroeconomics

Course Design
2018-2019

Course Information

Division Business
Course Number BUA 221 (SUN# ECN 2201)
Title Principles of Macroeconomics
Credits 3
Developed by Dana Barnett
Lecture/Lab Ratio 3 Lecture/0 Lab

Transfer Status

ASU	NAU	UA
ECN 211, Social-Behavioral Sciences (SB)	ECO 285; Social and Political Worlds (SPW)	ECON 201B

Activity Course No
CIP Code 52.0200
Assessment Mode Pre/Post Test (50 Questions/100 Points)
Semester Taught Fall and Spring
GE Category Social Sciences
Separate Lab No
Awareness Course Yes (GIH)
Intensive Writing Course No
Diversity and Inclusion Course Yes

Prerequisites

ENG 091 with a grade of “C” or higher or reading placement test score as established by District policy

Educational Value

Provides a basic understanding of economic principles, which is necessary in order to participate as a citizen, consumer, and active voter within a democratic, free-market system. This course fulfills the Global/International/Historical Awareness (GIH) requirement. Meets Diversity and Inclusion (DI) requirement.

Description

Studies aggregates of the entire economy; concentrates on national income analysis, business cycles, the money and banking system, the global economy, and fiscal and monetary policy. Concurrent enrollment in BUA 223 not recommended.

Supplies

Calculator

Competencies and Performance Standards

1. Explain the basic economizing problem of scarce resources and unlimited wants.

Learning objectives

What you will learn as you master the competency:

- a. Identify the four resource categories.
- b. Create a production possibilities table.
- c. Create a production possibilities curve.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to create a production possibilities curve from a production possibilities table
- o learner is able to list the four categories of resources and payments
- o learner is able to explain the connection between scarce resources, opportunity cost, and the production possibilities model

2. Construct the basic supply and demand curves in a purely competitive market model.

Learning objectives

What you will learn as you master the competency:

- a. Graph a demand curve in a purely competitive market model.
- b. Graph a supply curve in a purely competitive market model.
- c. Graph a supply and demand together and determine equilibrium price and quantity in a purely competitive market model.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to graph demand curves in a purely competitive market model
- o learner is able to graph supply curves in a purely competitive market model
- o learner is able to graph supply and demand together and determine equilibrium price and quantity in a purely competitive market model

3. Explain the interaction of the public and private sectors within a mixed economy.

Learning objectives

What you will learn as you master the competency:

- a. Describe the breakdown of households as income receivers and spenders.
- b. Describe the breakdown of the business population.
- c. Describe the “isms”: capitalism, fascism, communism, and socialism.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to describe the breakdown of households as income receivers and spenders
- o learner is able to describe the breakdown of the business population
- o learner is able to describe the “isms”: capitalism, fascism, communism, and socialism

4. Explain the workings of the market system, including the four basic economic sectors: households, business, government, and export-import.

Learning objectives

What you will learn as you master the competency:

- a. Apply the formulas for the Average Propensity to Consume, Average Propensity to Save, Marginal Propensity to Consume, and Marginal Propensity to Save.
- b. Describe the three types of business firms.
- c. Describe the economic role of government.
- d. Describe the world trade agreements and free-trade zones.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to apply the formulas for the Average Propensity to Consume, Average Propensity to Save, Marginal Propensity to Consume, and Marginal Propensity to Save
- o learner is able to describe the three types of business firms
- o learner is able to describe the economic role of government
- o learner is able to describe world trade agreements and free-trade zones

5. Calculate the national income accounts.

Learning objectives

What you will learn as you master the competency:

- a. Calculate Gross Domestic Product using the expenditures and income approach.
- b. Describe the difference between GDP and real GDP.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to calculate the Gross Domestic Product using the expenditures and income approach
- o learner is able to describe the difference between GDP and real GDP

6. Explain the instability within the macro economy.

Learning objectives

What you will learn as you master the competency:

- a. Describe the phases of the business cycle.
- b. Describe the four types of unemployment.
- c. Calculate the rate of unemployment.
- d. Discuss which ethnic and gender groups maintain higher than normal unemployment rates.
- e. Discuss governmental factors that contribute to unemployment rates among different ethnic groups.
- f. Calculate the rate of inflation.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to describe the phases of the business cycle
- o learner is able to describe the four types of unemployment
- o learner is able to calculate the rate of unemployment
- o learner is able to identify cause for unemployment among different ethnic groups
- o learner is able to discuss governmental factors that contribute to unemployment rates among different ethnic groups
- o learner is able to calculate the rate of inflation

7. Explain the difference between the federal deficit and public debt and the impact of fiscal policy on the macro economy.

Learning objectives

What you will learn as you master the competency:

- a. Define the federal deficit.
- b. Define the public debt.
- c. Describe the economic implications of the growing public debt.
- d. Describe the use of discretionary fiscal policy.
- e. Discuss the cost/benefit analysis involved with discretionary fiscal policy as it relates to aid on a global scale, among different ethnic, cultural and age groups in the US.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to define the federal deficit
- o learner is able to define the public debt
- o learner is able to describe the economic implications of the growing public debt
- o learner is able to describe the use of discretionary fiscal policy
- o learner is able to discuss the cost/benefit analysis involved with discretionary fiscal policy as it relates to aid on a global scale, among different ethnic, cultural and age groups in the US

8. Describe the workings of the United States banking system and monetary policy.

Learning objectives

What you will learn as you master the competency:

- a. Explain the M1 definition of money.
- b. List the functions of money.
- c. Describe the Federal Reserve System and its functions.
- d. Calculate new balance when money is created and destroyed within a bank and throughout the banking system.
- e. Calculate the results of the Federal Reserve using its three tools of monetary policy.
- f. Identifies the consequences of subprime lending on different ethnic groups.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to explain the M1 definition of money

- o learner is able to list the functions of money
- o learner is able to describe the Federal Reserve System and its functions
- o learner is able to calculate new balances on a given bank's balance sheet and throughout the banking system when money is created and destroyed
- o learner is able to calculate the impact upon M1 when the Federal Reserve uses its three tools of monetary policy
- o learner identifies the consequences of subprime lending on different ethnic groups

9. Explain the position that the United States holds within the global economy.

Learning objectives

What you will learn as you master the competency:

- a. Describe the importance of specialization and free trade to a global economy.
- b. Explain the circular flow model including the foreign sector.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to describe the importance of specialization and free trade to a global economy
- o learner is able to explain the circular flow model including the foreign sector

10. Examine how increasing government regulation, business activity, and acts of terrorism have affected the US economy, its citizens, and the global economy.

Learning Objectives

What you will learn as you master the competency:

- a. Describe the historical government regulations that developed after the Great Depression, the Industrial Age, the Technology Era, 9/11 and the Great Recession.
- b. Explain the historical significance government regulation had on the behaviors of different ethnic groups, cultures, and gender after the Great Depression, the Industrial Age, the Technology Era, and the Great Recession.
- c. Discuss the ethical and moral issues that developed as a result of immoral business activity.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to describe the historical government regulations that developed after the Great Depression, the Industrial Age, the Technology Era, 9/11 and the Great Recession

- learner is able to explain the historical significance government regulation had on the behaviors of different ethnic groups, cultures and gender after the Great Depression, the Industrial Age, the Technology Era, and the Great Recession
- learner is able to discuss the ethical and moral issues that developed as a result of immoral business activity

Types of Instruction

Classroom Presentation

Videos

Newspaper/Magazine Articles

Internet

Grading Information

Grading Rationale

Tests	35%
Homework	50%
Final (Post-test)	15%

Grading Scale

A	90-100%
B	80-89%
C	70-79%
D	60-69%
F	Below 60%