

# ECON 1A: PRINCIPLES OF MACROECONOMICS

## Foothill College Course Outline of Record

Heading	Value
<b>Units:</b>	5
<b>Hours:</b>	5 lecture per week (60 total per quarter)
<b>Prerequisite:</b>	Elementary Algebra or equivalent.
<b>Advisory:</b>	Demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 & ESLL 249; MATH 105.
<b>Degree &amp; Credit Status:</b>	Degree-Applicable Credit Course
<b>Foothill GE:</b>	Area IV: Social & Behavioral Sciences
<b>Transferable:</b>	CSU/UC
<b>Grade Type:</b>	Letter Grade (Request for Pass/No Pass)
<b>Repeatability:</b>	Not Repeatable

## Student Learning Outcomes

- Employ the supply and demand model to predict market responses to shocks.
- Illustrate and explain unintended consequences resulting from government interference in well-functioning markets.
- Illustrate and critically assess the aggregate economy using a macroeconomic model or models.
- Analyze and critically assess the effectiveness of fiscal and monetary policy and their relationship to inflation, unemployment, and the overall business cycle.

## Description

Fundamental economic concepts; determination of national income and employment; income fluctuation; money and the banking system; government monetary and fiscal policies; current economic problems; economic development; international trade. ECON 1A and 1B may be taken in either order.

## Course Objectives

The student will be able to:

- understand basic economic concepts of scarcity, opportunity cost, and self-interested behavior.
- analyze the interrelationship of economics with other social sciences.
- demonstrate understanding of the determinants of total output, employment, and economic growth.
- apply macroeconomic models to understand the economy.
- understand current economic statistics.
- demonstrate understanding of the workings and controversies surrounding monetary and fiscal policy.
- recognize and apply the importance of cultural sensitivity in economics.

## Course Content

- Fundamental Economic Concepts
  - Definition of economics
  - Economic resources defined
  - Opportunity cost
  - Marginal analysis
  - Production possibilities curves
  - Command vs. Market economies
- Supply and Demand Model
  - Law of Demand
  - Law of Supply
  - A change in supply (demand) vs. a change in quantity supplied (demanded)
  - Equilibrium
  - Price ceilings
  - Price floors
- Introduction to Macroeconomics
  - Unemployment
  - Inflation
  - National income accounting
  - Economic growth
  - Business cycles
- Aggregate Demand and Supply
  - Long-run AS vs. short-run AS
  - Shifts in the curves
  - Short-run equilibrium vs. long-run equilibrium
  - The Great Depression and John Maynard Keynes
- Fiscal Policy
  - Expansionary vs. contractionary fiscal policy
  - Strengths and weaknesses
- Monetary Policy
  - The nature of money
  - The banking system and the creation of money
  - The Federal Reserve System
  - The tools of monetary policy
  - Strengths and weaknesses

## Lab Content

Not applicable.

## Special Facilities and/or Equipment

When taught as an online distance learning section, students and faculty need internet and regular email access.

## Method(s) of Evaluation

- Midterm examinations
- Final examination
- Written assignments
- Computer homework assignments

## Method(s) of Instruction

- Weekly formal lectures
- Class discussions
- Electronic discussions/chat
- Computerized assignments (e.g., experiments)

## **Representative Text(s) and Other Materials**

Colander, David C. Macroeconomics. 10th ed. New York: Irwin/McGraw-Hill, 2016.

## **Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments**

A. College level readings from primary and secondary sources.

B. College level writing assignments based on primary and secondary source reflection and/or analysis.

## **Discipline(s)**

Economics