ECON C2002: PRINCIPLES OF MACROECONOMICS

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Fall 2026
Units:	5
Hours:	5 lecture per week (60 total per quarter)
Prerequisite:	Placement as determined by the college's multiple measures assessment process or completion of a course taught at or above the level of elementary algebra.
Advisory:	Demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 & ESLL 249; Intermediate Algebra or equivalent; not open to students with credit in ECON 1A.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Area 4: Social & Behavioral Sciences
Transferable:	CSU/UC
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable
Formerly:	ECON 1A

Student Learning Outcomes

- Analyze the impact of fiscal and monetary policies on inflation, unemployment, and the business cycle, using real-world or hypothetical scenarios
- Demonstrate and evaluate the aggregate economy using at least one macroeconomic model (e.g., AS-AD) by engaging in written or visual analysis in assignments or exams
- Illustrate and explain unintended consequences of government actions in efficient markets using real-world examples
- Use the supply and demand model to predict market changes resulting from economic shocks

Description

An introductory course using models of the domestic and international economy to understand national income, unemployment, inflation, economic growth, inequality, the financial system, and monetary, fiscal, and other economic policies. ECON C2001 and C2002 may be taken in either order.

Course Objectives

At the conclusion of this course, the student should be able to:

1. Interpret and analyze domestic and international macroeconomic data.
2. Apply macroeconomic models to explain economic issues and outcomes.
3. Analyze the effects of macroeconomic policies.

Additional course objectives:

1. Understand basic economic concepts of scarcity, opportunity cost, and self-interested behavior.

Course Content

1. Fundamentals of economic thinking
    a. Scarcity / opportunity costs
    b. Factors of production
    c. Production possibilities
    d. Specialization and gains from trade
    e. Economic models and research methodology
2. How markets operate
    a. Definition of a market
    b. Supply and demand model
3. Measuring the economy
    a. National output and productivity
    b. Economic growth
    c. Price level (inflation)
    d. Business cycle
    e. Unemployment
    f. Inequality and Poverty
4. Aggregate Demand / Aggregate Supply model
5. Financial system
    a. Saving, investment, and interest rates
    b. Money creation and banking
    c. Role and function of central banks
    d. Monetary policy
6. The role of the government in the macro economy
    a. Government budget
    b. Fiscal policy
    c. Social policy
7. International economics
    a. Balance of payments
    b. Exchange rates
    c. International trade

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

Methods of Evaluation may include but are not limited to the following:

Assessments for this course will include both formative and summative assignments that may include some or all of the following:
Exams and Quizzes containing one or more:
• Multiple Choice questions

• Short answers
• Problem Solving
• True/False
• Essays
Other Assessments:
• Problem sets
• Online or in-class discussions
• Presentations
• Group projects
• Experiments
• Current event analysis
• Term papers
Assessed written work may include any of the following (colleges are encouraged to work with local CSU and UC departments to determine writing requirements):
• Current event analysis
• Discussion boards
• Essay questions on exams
• Term papers
Methods of evaluation are at the discretion of local faculty

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

Weekly lectures
Online and in-person discussions
In-class collaboration activities
Traditional and online assignments

Representative Text(s) and Other Materials

These are representative texts. Texts used by individual institutions and even individual sections will vary.

These are two-semester textbooks covering both Macroeconomics and Microeconomics. The one semester edition covering only Macroeconomics is acceptable as is any other equivalent textbook, including an OER textbook.

• Arnold, R., Arnold, D., & Arnold, D. (2023) Economics. Mason, OH: Cengage Learning.

• Colander, D. (2019) Economics. New York: McGraw-Hill Irwin.

• Coppock, L. & Mateer. (2023) Principles of Economics, Norton.

• The CORE Econ Team. The Economy 2.0, CORE Econ.

• Cowen, T., & Tabarrok, A. (2021) Modern Principles of Economics. New York: Worth.

• Frank, R. H., & Bernanke, B. S. (2024) Principles of Economics. New York: McGraw-Hill Irwin.

• Greenlaw, S., Shapiro, D., & MacDonald, D. Principles of Economics 3e. Houston, TX: OpenStax.

• Hubbard, R. G., & O'Brien, A. P. (2024) Economics. Boston: Pearson.

• Krugman, P. & Wells, R. (2024) Economics. New York: Worth.

• Mankiw, N. G. (2024) Principles of economics. Mason, OH: Cengage Learning.

• McConnell, C. R., Brue, S. L., & Flynn, S. M. Economics: Principles, problems and policies. New York: McGraw-Hill Irwin.

• Parkin, M., (2023) Economics, New York: Pearson

• Rittenberg, L., & Tregarthen, T. (2021) Principles of economics. Flat World Knowledge.

• Schneider, G., (2023) Macroeconomic Principles and Problems: A Pluralist Introduction. New York: Routledge.

• Stevenson, B. & Wolfers, J. (2023) Principles of Economics, New York: Worth.

• Tucker, I. B. (2023) Economics for today. Mason, OH: Cengage Learning.

Additional representative text:

Greenlaw, S., Shapiro, D., & MacDonald, D. Principles of Macroeconomics, 3rd ed. 2022.

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

1. Readings from textbook, news articles, blogposts, and macroeconomic reports.
2. Assignments include, but are not limited to: current event analysis, discussion posts, practice problems.

Discipline(s)

Economics