



South Central College

ECON 110 Principles of Macroeconomics

Course Outcome Summary

Course Information

Description	Macroeconomics is the study of issues that affect whole economies, including economic growth, employment levels, management of the money supply, international trade, and economic instability. The course will examine tools governments can use to stabilize and grow economies, as well as controversies surrounding their use. (Prerequisites: READ0090 with a grade of C or Higher or a minimum score of 78 on the Accuplacer Reading Comprehension test.) This class satisfies MnTC Goal Area 5 (History and the Social and Behavioral Sciences) and MnTC Goal Area 9 (Ethical and Civic Responsibility).
Total Credits	3
Total Hours	48

Types of Instruction

Instruction Type	Credits/Hours
Lecture	3/48

Pre/Corequisites

READ0090 with a grade of C or Higher or a minimum score of 78 on the Accuplacer Reading Comprehension test.

Institutional Core Competencies

Civic Engagement and Social Responsibility - Students will be able to demonstrate the ability to engage in the social responsibilities expected of a community member.

Course Competencies

1. Apply the economic method.

Learning Objectives

Define Economics.

Apply the scientific method in economics.

Demonstrate scarcity, opportunity costs, and economic growth with the production possibility curve model.

2. Analyze major economic institutions.

Learning Objectives

Analyze fundamental questions facing all economies.

Describe trends in income distribution, poverty, and economic growth in the U.S.

Differentiate between different economic systems.

Explain the potential efficiency of market systems.
Explain markets and price determination (determinants of supply and demand).
Explain market failures.
Contrast views of what a good economy should accomplish.

3. Use measures of economic performance.

Learning Objectives

Define Gross Domestic Product (GDP).
Calculate GDP by the expenditures approach.
Describe the incomes approach.
Describe real GDP.
Calculate net domestic product.
Analyze shortcomings of GDP as a measure of economic well-being.
Appropriately apply alternative measures of economic well-being.

4. Explain the process of economic growth.

Learning Objectives

Demonstrate economic growth with a production possibility curve diagram.
Evaluate institutional features that can assist or hinder growth.
Relate productivity to economic growth.
Describe human capital.
Describe human development policies.
Evaluate criticisms of economic growth.

5. Describe business cycles.

Learning Objectives

Identify phases of the business cycle.
Describe the Great Depression and the Great Recession.
Identify John Maynard Keynes.
Identify kinds of unemployment.
Describe in human terms the short-term and long-term harm that comes from a high unemployment rate.
Apply the natural rate of unemployment concept.
Describe potential GDP.
Appraise potential harms from inflation.
Distinguish between demand-pull and cost-push inflation.
Describe the consumer price index.
Describe hyperinflation.

6. Model macroeconomic change.

Learning Objectives

Describe the aggregate expenditures model.
Model changes in consumption, investment, government spending, and net exports.
Describe Marginal Propensity to Save (MPS) and Marginal Propensity to Consume (MPC).
Identify determinants of consumption, investment, government spending, and net exports.
Calculate the simple GDP multiplier.
Model changes in the price level and output with the aggregate demand/aggregate supply model.
Derive the aggregate demand curve.
Derive the aggregate supply curve.
Identify determinants of aggregate supply.
Distinguish between the long and short term aggregate supply curves.
Explain the shape of the short run aggregate supply curve.
Model long run growth with the long run aggregate supply curve.

7. Distinguish between long run and short run analysis in macroeconomics.

Learning Objectives

Explain sticky wages and prices.
Evaluate arguments for and against government intervention in the business cycle.
Model long run correction for deviations from full employment GDP with an extended Aggregate Demand/Aggregate Supply (AD/AS) diagram.

8. Describe Fiscal Policy.

Learning Objectives

Explain fiscal policy tools.
Model impacts of fiscal policy with an AD/AS diagram.
Describe expansionary and contractionary policies.
Explain when deficits or surpluses are appropriate from a Keynesian perspective.
Identify limitations of fiscal policy.
Explain potential dangers of a large public debt.
Evaluate recent fiscal policy responses to the Great Recession.

9. Describe Monetary Policy.

Learning Objectives

Explain functions of money.
Explain demand for money.
Describe the Federal Reserve.
Describe a fractional reserve banking system.
Demonstrate how money is created in the banking system with simplified bank balance sheets.
Calculate expansion of the money supply with the money multiplier.
Describe and evaluate tools of monetary policy.
Identify expansionary and contractionary monetary policies.
Identify advantages and limitations of monetary policy.
Evaluate Federal Reserve response to the 2008 financial crisis.

10. Describe economic globalization and its impact on national economies.

Learning Objectives

Describe the history of globalization.
Identify benefits and criticisms of increased trade.
Explain functions of major global financial institutions.
Evaluate criticisms of policies of global financial institutions.
Identify regional trade organizations.
Explain comparative advantage.
Demonstrate how currency exchange rates are set with supply/demand diagrams.
Describe how changes in exchange rates impact national economies.
Examine impacts of a trade deficit.
Describe strains on globalization from the global financial crisis and the European debt crisis.

11. Contrast competing schools of thought in macroeconomics.

Learning Objectives

Contrast policy recommendations from Keynesian, classical, and radical schools of economic thought.
Describe macroeconomic adjustment in the short run and long run.
Evaluate arguments for and against government intervention in business cycles.
Explain rational expectations.
Explain a monetary rule.
Explain real business cycles.
Evaluate competing views among economists over handling the recent financial crisis and recession.

SCC Accessibility Statement

South Central College strives to make all learning experiences as accessible as possible. If you have a disability and need accommodations for access to this class, contact the Academic Support Center to request and discuss accommodations. North Mankato: Room B-132, (507) 389-7222; Faribault: Room A-116, (507) 332-5847.

Additional information and forms can be found at: www.southcentral.edu/disability

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