

I. COURSE DESCRIPTION:

Much of what goes on in the world is driven by economic considerations. Economics is therefore, relevant and important to all of us in our daily lives as we engage in various activities to earn a living. This course is designed to provide the student with a broad understanding of basic economic terms and concepts and the operation of a contemporary market economy. Macroeconomics is the study of how the major components of an economy interact and includes such topics as unemployment, inflation, interest rate policy, gross domestic product and government policies on spending and taxation.

II. LEARNING OUTCOMES AND ELEMENTS OF PERFORMANCE: The weighting for the following outcomes is approximately equal.

Upon successful completion of this course, the student will demonstrate the ability to:

1. **Distinguish economics, macroeconomics, microeconomics, types of economic systems and explain various economic problems and goals.**

Potential Elements of Performance:

- Understand the meaning, history, and organization of work, and of working life challenges to the individual and society.
- Define economics, macroeconomics and microeconomics.
- Explain the basic economic problem of scarcity and choice.
- Discuss, in detail, the factors of production.
- Define opportunity cost and its role in economics.
- Discuss the three basic economic questions.
- Outline different types of economic systems
- Draw and explain the circular flow in an economy.
- Discuss agreement and disagreements in economics.
- Produce a PPC and explain what it shows.
- Outline macroeconomic goals.
- Provide complete explanations of related economic terms.

2. **Demonstrate an understanding and apply the principles of the Market Mechanism (supply and demand).**

Potential Elements of Performance:

- Distinguish between the terms “demand” and “quantity demanded” & “supply” and “quantity supplied”

- Define “demand and supply curves” and “explain why they slope as they are.
- Discuss the concept of markets and market equilibrium.
- List and discuss five factors which cause demand to change.
- List and explain six factors which cause supply to change
- Distinguish between “changes in demand” and “changes in quantity demanded”.
- Distinguish between “changes in supply” and “changes in quantity supplied.”
- Explain normal and inferior goods.
- Provide complete explanations of related economic terms.

3. **Demonstrate an understanding of the factors that determine the level of an economy’s total production and the different methods of measuring that production.**

Potential Elements of Performance:

- Discuss the circular flow of income and the product and factor markets.
- Distinguish between a flow of money and a stock of money.
- Outline the leakages and injections and their overall impact.
- Explain when an economy is growing, when it is shrinking, and when it is in equilibrium.
- Define Gross Domestic Product, Gross National Product, Net Domestic Product and Net National Product.
- Identify and explain the components of the GDP using the expenditure method.
- Discuss the limitations of the GDP figure.
- Provide complete explanations of related economic terms.

4. **Explain the relationship of Unemployment and Inflation with regard to Aggregate Supply and Aggregate Demand, & Economic Growth.**

Potential Elements of Performance:

- Define economic growth and discuss its sources.
- Discuss how economic production and growth are measured
- Calculate such measurements as Nominal GDP, Real GDP, and the GDP Deflator.
- Name and discuss business cycles, their causes and impact.
- Outline the relationship between economic growth and economic welfare
- Name and explain the different types of unemployment.

- Explain how the unemployment rate is determined and be able to calculate the rate.
- Distinguish and explain the various categories of people in the Labour Force Survey.
- Discuss the criticism of the official unemployment rate and the costs of unemployment.
- Develop an understanding of the changing nature of work and the economy.
- Define inflation, different types of inflation & calculate inflation.
- Demonstrate the use of the Rule of 70.
- Discuss the costs associated with inflation.
- Distinguish nominal from real interest rates.
- Outline the two classifications or causes of inflation.
- Provide complete explanations of related economic terms.
- Set personal expectations for efficiency, effectiveness, ethics and rewards and reconcile with the changing work environment.

5. **Discuss the basic model of Aggregate Demand and Supply, the concept of Aggregate Expenditures and perform related calculations.**

Potential Elements of Performance:

- Define aggregate demand and aggregate supply and explain their short-run and long-run implications.
- Discuss macroeconomic equilibrium.
- Outline the determinants of aggregate supply, real GDP, and the price level.
- Discuss the Keynesian and Neoclassical school of Aggregate Demand/Supply.
- Identify and explain the concept of potential GDP.
- Distinguish between “autonomous and induced spending.”
- Explain and calculate MPE, MLR, MTR, MPC, and MPS.
- Outline the relationship between the MPC and MPS.
- Discuss the components of the consumption and saving functions and perform the necessary calculations
- Explain the role of investment, government and net exports in the aggregate expenditure model.
- Discuss expenditure equilibrium and the changes in expenditures.
- Explain, calculate and use the multiplier.
- Provide complete explanations of related economic terms.

- Apply knowledge of the organization and structure of work, its institutions, and history; and of social and cultural attitudes to work.

6. **Explain the origins, characteristics and functions of Money, the Banking System (deposit taking institutions) and the Money Market.**

Potential Elements of Performance:

- Describe the four characteristics of money and the three functions of money.
- Outline the different kinds of money.
- Define money and explain the different measurements.
- Explain the fractional reserve system of banking.
- Discuss “spread” and “target reserve ratio”.
- Name and explain Near Banks.
- Provide a detailed explanation of how banks create money.
- Explain, calculate and apply the money multiplier.
- Discuss reserves in the banking system.
- Discuss the various forms of demand for money compared to the desire for income.
- Explain equilibrium in the money market and how changes in the money market affect the economy.
- Discuss the monetarist view of money and the economy.
- Provide complete explanations of related economic terms.

7 **Discuss the origins and functions of the Bank of Canada and explain the uses of monetary tools to increase and decrease the money supply and the impact on the economy.**

Potential Elements of Performance:

- Define monetary policy.
- Describe the origins and functions of the Bank of Canada.
- Explain the various functions of the Bank of Canada.
- Describe how the Bank of Canada can use each of its major monetary tools to affect the size of the money stock and subsequently economic activity.
- Explain open market operations and how they can be used to increase and decrease the money supply.
- Discuss whether or not monetary policy is needed.
- Provide complete explanations of related economic terms.

8 Explain how international trade, along with free trade and protectionism, affect the economy.

Potential Elements of Performance

- Explain the significance of specialization to international trade.
- Explain and apply “absolute” and “comparative advantage”
- Discuss why nations trade with each other.
- Explain how gains are made from trade and who are the winners and losers in international trade.
- Explain the importance of free trade and trade restrictions.
- Identify trade organizations and treaties of and their functions.
- Argue for and against free trade.
- Explain the consequences of tariffs and non-tariff barriers.
- Provide complete explanations of related economic terms.

9 Discuss international trade and the role of the exchange rate and the balance of payments in a modern economy.

Potential Elements of Performance:

- Define exchange rate and the types of exchange rates.
- Explain and illustrate how exchange rates are determined (changes in supply and demand).
- Define balance of payments and explain its categories and what is included.
- Provide complete explanations of related economic terms.

10 Discuss the role of fiscal policy in a modern economy.

Potential Elements of Performance:

- Define fiscal policy.
- Discuss government revenue as it relates to the tax rate, the size of the GDP and the government’s own spending.
- Discuss a balanced government budget and full-employment equilibrium.
- Explain the pros and cons of government having a balanced budget each fiscal year.
- Discuss the cause, size, and problems of Canada’s national debt.
- Provide complete explanations of related economic terms.

III. TOPICS:

1. The Economic Problem
2. Demand and Supply: An Introduction
3. Measuring National Income (The Gross Domestic Product.
4. Growth, Unemployment and Inflation
5. Aggregate Demand and Supply
6. Aggregate Expenditures
7. Money and Banking
8. Monetary Policy
9. The Money Market
10. International Trade and Exchange Rates
11. Fiscal Policy

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Principal Text: John E. Sayre and Alan J. Morris, Principals of MacroEconomics, 4th Edition; McGraw–Hill Ryerson, 2004
ISBN 0-07-091455-9

V. EVALUATION PROCESS/GRADING SYSTEM:

Students will be evaluated on the following basis:

• Assignments and Quizzes	20%
• Research Paper/Project	25%
• Mid-Term Exam	25%
• Final Examination (semester work)	<u>30%</u>
TOTAL	100%

Exams:

All exams will consist primarily of essay questions and will be rounded out with multiple-choice questions (or other objective type questions) to complement and extend the exam areas. **Students are required to write all exams and quizzes as scheduled!!**

THERE ARE NO RE-WRITES OF INDIVIDUAL EXAMS OR QUIZZES.

Each student must meet the following requirements in order to complete this course successfully:

1. Must complete, in a fashion acceptable to the professor, all projects and assignments.
2. Must write both exams. If a student misses an exam and has not made appropriate arrangements as outlined below, he/she will receive a mark of zero for that test/exam.
3. Must have an overall mark of 50%. This mark includes all work in the semester.

Students, who are not successful in achieving the minimum mark of 50% and/or do not complete the required assignments in an acceptable fashion, as they are due, will repeat the course.

FINAL GRADES WILL BE ISSUED BY THE REGISTRAR'S OFFICE

The following semester grades will be assigned to students in postsecondary courses:

<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 - 100%	4.00
A	80 - 89%	4.00
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 - 59%	1.00
F (Fail)	49% or below	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field /clinical placement or non-graded subject areas.	
U	Unsatisfactory achievement in field/clinical placement or non-graded subject areas.	
X	A temporary grade. This is used in limited situations with extenuating circumstances giving a student additional time to complete the requirements for a course.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty.	

Students are required to have a minimum GPA of 2.00 to graduate.

VI. SPECIAL NOTES:

Special Needs:

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with the Special Needs office. Visit Room E1204 or call Extension 493 so that support services can be arranged for you.

Retention of course outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Plagiarism:

Students should refer to the definition of “academic dishonesty” in *Student Rights and Responsibilities*. Students who engage in “academic dishonesty” will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

Course outline amendments:

The Professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

Missed Tests/Exam:

If a student is not able to write a test/exam as scheduled, for medical reasons or some other emergency, that student is asked to contact the professor **prior** to the test/exam and provide an explanation that is acceptable to the professor. (Medical certificates or other appropriate proof **may** be required.)

Following the student's return to the college, he/she must request, in writing, to write a makeup for the missed test/exam. This request will be via e-mail and must outline the reasons for requesting special consideration.

The professor will consider the request, and if permission is granted, the test/exam will be given outside of class time possibly a Saturday. This will allow time for the student to prepare for the exam without missing important work and to provide time for the professor to prepare a new exam.

In considering the request, the professor will take a number of factors into consideration. These will include, but limited to, the student's attendance and participation in class, completion of other exams, quizzes, and assignments as scheduled and the professor's judgment as to the student's potential success.

In all other cases, the student will receive a mark of zero for that exam.

THERE WILL BE NO SUPPLEMENTARY EXAMS!!

Attendance:

Students are expected to attend all scheduled classes. Attendance will be taken for each class. .

The professor will use attendance as one of the factors in considering student requests for special consideration in writing missed exams, submitting late assignments, etc.

Submitting Assigned Work:

All assignments, projects, questions, etc. must be submitted to the professor at the beginning of class on the due date. Once the class starts, any assignment, etc. which has not been submitted will be considered late. If no class is scheduled on the due date, students are required to deliver the assignments, etc. to the professor's office, by the deadline time. Assignments, etc. may be submitted in advance.

It is the student's responsibility to ensure that the professor gets his/her completed assignment, etc. Do not place the assignment, etc. in the professor's mailbox and do not deliver it to his/her office during class.

Return of Students' Work:

Exams, quizzes, assignments, etc. will be returned to students during one of the normal class times. Any student not present at that time must pick up his/her exam, etc. at the professor's office within three weeks of that class. Exams, etc. not picked up within the three weeks will be discarded. End of semester exams, etc. will be held for three weeks following the end of the semester. If they have not been picked up within that three-week period, they will be discarded.

Students are required to retain their exams, quizzes, assignments, etc. in the event that there is a disagreement with the mark received and the mark recorded by the professor. If the student is not able to present the instrument in question, the professor's recorded mark will stand.

Questions &/or Concerns:

Students are urged to ask questions and to participate in and contribute to the class discussion. Students are also encouraged to read newspapers, magazines, etc. and to tune in to radio and television newscasts for economic and business news. This will make the subject more understandable, interesting, and practical. It will provide students the opportunity to better apply the theory and to enhance his/her opportunity for success in this course.

Classroom Decorum:

Students will respect the diversity and the dignity of those in the classroom. Student will respect the professor's right and duty to teach and students' right to learn without interference. Students who cause any interference with the objectives of the class will be given a verbal warning on the first occasion. If such behaviour continues, the student will be asked to leave the classroom and will not be permitted to return until he/she commits in writing, typed, (a formal letter) that he/she will conduct themselves appropriately in the classroom. This letter will be addressed to the professor who will submit a copy to the Dean.

If a student is asked to leave the classroom a second time, he/she must make an appointment with the Dean who will decide if the student will be permitted to return to class.

In the event that a student is asked to leave the classroom a third time, he/she will not be permitted back to the classroom for the rest of the semester. The Dean will also decide if any other action needs to be taken.

Students attending this class do so to study Macroeconomics. Therefore, no other activity will be permitted. Student's who wish to engage in other activities will be asked to leave the classroom, as described above.

Other inappropriate behaviour includes, but not limited to, sleeping in class, or appearing to be sleeping in class, putting feet (foot) on the furniture, writing on the furniture, talking of otherwise communicating privately with other students, having a cell phone on during class, etc.

It is the professor's intention to maintain proper classroom decorum at all times in order to provide the best possible learning and teaching environment.

Only those students who are properly registered for this course or those invited by the professor are permitted to be in the classroom.

VII. PRIOR LEARNING ASSESSMENT:

Students who wish to apply for advanced credit in the course should consult the professor. Credit for prior learning will be given upon successful completion of a challenge exam or portfolio, if such are available and can be evaluated.

VIII. DIRECT CREDIT TRANSFERS:

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.

IX. GENERAL EDUCATION REQUIREMENTS

This course meets the general education requirements as follows:

Duration:

This course is three hours per week for 15 weeks.

Meeting Societal Challenges:

This course will contribute to the student becoming an informed citizen as the material will examine a number of important economic issues. Some of these issues will include unemployment, inflation, scarce resources, supply and demand, and the role of government in the economy.

Students' personal growth will be enhanced in the following ways:

- 1) Students will be encouraged to listen to the broadcast media and read newspapers, etc. for economic and business news.
- 2) Students will be given opportunities to discuss current economic issues along with the theory. This will enable to share and discuss different points of views with others.
- 3) Assignments and discussions will help students develop skills in problem solving, decision making and critical thinking.

Historical, Theoretical, & Contemporary:

Historical Context: This course will examine the development of economic concepts focusing on those of Adam Smith and John Maynard Keynes. It will also look at the role of government in the past, economic progress, past recessions/depressions, the origin of commercial banking, the founding of the Bank of Canada, and the evolution of the exchange system.

Theoretical Basis: In addition to the basic economic terms, this course will include the Classical and Keynesian theories of aggregate supply and aggregate demand, equilibrium, and economic adjustments. It will also examine more contemporary theories of monetary and fiscal policies, unemployment and inflation.

Application to Contemporary Life: Current economic issues such as unemployment, inflation, taxation, free trade, etc. will be discussed to help students understand the application and relevance of economic theory. Students will be encouraged to read, listen and watch news items to enhance this process.

Support Continuous Learning:

Economics is not an exact science. It, therefore, does not always provide a clear and definite answer. This will help students develop critical thinking and problem-solving skills as they examine and discuss various alternatives. Communication skills will also be developed as the students express their views related to economic theory and contemporary issues. These skills may be used in other areas of study and in the students' daily lives.

Evaluation & Teaching Methods:

The course material may be covered in a variety of methods including readings, lectures, discussions, case studies, and group work. Evaluation will include assignments, quizzes and exams. The quizzes and exams will be essay and objective-type instruments.

CSAC Goals:

1. **Civic Life:** This course will help develop an understanding of the difficult role the government plays in the economy. It will include material on the major economic goals, monetary and fiscal policies, and the political aspects of economics.
2. **Personal Development:** Knowledge and application of basic economic theory can assist an individual in achieving a standard of well-being and provide useful information related to financial planning. This course will assist students in becoming more aware and understanding various events which occur nationally and internationally.
3. **Social Understanding:** Many of the social problems we face in Canada are economic problems. This course will focus on some of these problems and help students draw some conclusions with regard to a better understanding of these problems and possible solutions.
4. **Work and the Economy:** This course contains elements involving social and cultural attitudes towards work and the changing nature of work and the economy. Specific content in this area will include government and the economy, changes in employment, free trade, paid and unpaid labour, etc.

Broad Context:

This course is offered at an introductory, general level & will be of interest and benefit to all students. Each student will benefit from this course regardless of occupation, income level, gender, etc. once he/she is involved in the workforce. We are required to make many economic decisions, and we are affected by the economic decisions of others. A basic understanding of economics will enhance our ability to meet the challenges we face.