

I. COURSE DESCRIPTION:

The aim of this course is to introduce basic economic theories and to show their applications in current Canadian society. Commencing with microeconomic concepts (such as supply and demand) and continuing with macroeconomic issues (such as employment, inflation, and business cycles).

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

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

1. Identify introductory economic concepts.
Potential Elements of the Performance:
 - ✓ define economics and distinguish between microeconomics and macroeconomics
 - ✓ explain the big questions of economics
 - ✓ explain the key ideas that define the economic way of thinking
 - ✓ explain how economists go about their work as social scientists
 - ✓ make and interpret a time-series graph, a cross-section graph and a scatter diagram
 - ✓ distinguish between linear and nonlinear relationships and between relationships that have maximum and a minimum
 - ✓ define and calculate the slope of a line
 - ✓ graph relationships among more than two variables
 - ✓ define the production possibilities frontier (ppf) and calculate opportunity cost
 - ✓ distinguish between ppf and preferences and describe an efficient allocation of resources
 - ✓ explain how current production choices or how specialization and trade affect the ppf
 - ✓ explain how property rights and markets have evolved
2. Describe how the market works using various economic models.
Potential Elements of the Performance:
 - ✓ describe a competitive market and determine the opportunity cost
 - ✓ compare influences on supply and demand
 - ✓ discuss how supply and demand determine price and quantities produced, bought and sold
 - ✓ Use demand and supply to make predictions about changes in prices and quantities
3. Define macroeconomic trends fluctuations using measurement models.

Potential Elements of the Performance:

- ✓ Describe origins and issues of macroeconomics
 - ✓ Describe trends and fluctuations in economic growth, jobs, unemployment, inflation, government and international deficits
 - ✓ Identify the macroeconomic policy challenges and describe the tools available for meeting them
 - ✓ Define GDP and use the circular flow model to explain why GDP equals aggregate expenditure and aggregate income
 - ✓ Explain two ways of measuring GDP and measurements of real GDP and the GDP deflator
 - ✓ Explain how we use real GDP to measure economic growth and describe the limitations of our measure
 - ✓ Explain how we date the business cycle
 - ✓ Define the unemployment rate, the labour force participation rate, the employment-to-population ration, and aggregate hours
 - ✓ Describe the sources and types of unemployment and define full employment and the natural rate of unemployment
 - ✓ Explain how we measure the price level and the inflation rate using CPI
 - ✓ Define and explain what determines aggregate supply and demand
 - ✓ Explain macroeconomic equilibrium and the effects of fluctuations in aggregate demand
 - ✓ Explain Canadian economic growth, inflation, and the business cycle by using the AS-AD model
4. Define the demand and inflation in relation to expenditure multipliers, fiscal policy, monetary policy, money, banking and interest rates.

Potential Elements of the Performance:

- ✓ Explain how expenditure plans and real GDP are determined when the price level is fixed
- ✓ Explain equilibrium expenditure and multiplier and how recessions and expansions begin
- ✓ Explain the relationship between aggregate expenditure and aggregate demand and how the multiplier gets smaller as the price level changes
- ✓ Describe how federal and provincial budgets are created and describe their recent history
- ✓ Distinguish between automatic and discretionary fiscal policy and define and explain the fiscal policy multipliers
- ✓ Explain the effects of fiscal policy in both the short run and the long run
- ✓ Distinguish between and explain the demand-side and supply-side effects of fiscal policy
- ✓ Define money and describe its functions

- ✓ Describe the banking system and explain the economic functions of the banks, the Bank of Canada, and the payments system
- ✓ Explain how banks create money
- ✓ Explain what determines the demand and supply of money and the interest rate
- ✓ Describe the foreign exchange market and explain how the exchange rate is determined.
- ✓ Explain why the exchange rate fluctuates and explain interest rate parity and purchasing power parity
- ✓ Describe and assess the benefits and costs of a flexible exchange rate, managed exchange rate, fixed exchange rate, and monetary union
- ✓ Distinguish between inflation and a change in the price level and between demand-pull inflation and cost-push inflation
- ✓ Explain the quantity theory of money
- ✓ Describe the effects of inflation
- ✓ Explain short-run and long-run relationships between inflation and unemployment
- ✓ Explain short-run and long-run relationships between inflation and interest rates
- ✓ Describe Canada's monetary policy objectives and the framework for setting and achieving them.
- ✓ Explain how the bank of Canada makes its interest rate decision and achieves its interest rate target
- ✓ Explain the transmission channels through which the Bank of Canada influences the inflation rate
- ✓ Explain and compare alternative monetary policy strategies
- ✓ Explain macroeconomic equilibrium
- ✓ Explain how fiscal and monetary policy influence real GDP and the price level
- ✓ Explain the Keynesian—monetarist debate
- ✓ Explain the effects of fiscal and monetary policies at full employment
- ✓ Explain how fiscal and monetary policies might be coordinated or in conflict

III. TOPICS:

1. Introduction to Economics
2. How Markets Work
3. Macroeconomic Overview
4. Aggregate Demand and Inflation

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Macroeconomics Canada in the Global Environment, Sixth Edition,
Michael Parkin, Robin Bade I.S.B.N. 0-321-41842-5
Calculator:

V. EVALUATION PROCESS/GRADING SYSTEM:

Test #1	25%
Test #2	25%
Test #3	25%
Assignments/Quizzes	25%

Missed Tests

Students are expected to be present to write all tests with the class. If a student is unable to write a test because of illness or a legitimate emergency, that student must contact the professor prior to the class and provide an explanation, which is acceptable to the professor. Should the student fail to contact the professor, the student shall receive a **grade of zero** on the test.

Once the test has commenced, the student is considered absent and will not be given the privilege of writing the test until the end of the semester. The late student must see the professor at the end of the class time and provide a suitable explanation to the professor in order to qualify to write at the end of the semester.

Any student who has missed a test and meets the following criteria may write the missed test Monday, December 10 at 3:30 in room E2130 p.m.

In order to qualify to write the missed test, the student shall have:

- attended at least 80% of the classes.
- provided the professor an acceptable explanation for his/her absence.
- been granted permission by the professor.

NOTE: The missed test will be a new test.

The following semester grades will be assigned to students:

Grade	<u>Definition</u>	<i>Grade Point Equivalent</i>
A+	90 – 100%	4.00
A	80 – 89%	
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 – 59%	1.00
F (Fail)	49% and below	0.00

CR (Credit)	Credit for diploma requirements has been awarded.
S	Satisfactory achievement in field /clinical placement or non-graded subject area.
U	Unsatisfactory achievement in field/clinical placement or non-graded subject area.
X	A temporary grade limited to 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.

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 your professor and/or the Special Needs office. Visit Room E1101 or call Extension 703 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.

Communication:

The College considers **WebCT/LMS** as the primary channel of communication for each course. Regularly checking this software platform is critical as it will keep you directly connected with faculty and current course information. Success in this course may be directly related to your willingness to take advantage of the **Learning Management System** communication tool.

Plagiarism:

Students should refer to the definition of “academic dishonesty” in *Student Code of Conduct*. 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.

Attendance:

Regular attendance is expected to ensure course information is communicated to all students. In-class observation of student work and guidance by the professor aids student success. Lectures will not be repeated in subsequent classes.

Return of Students' Work:

Tests, 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 test, etc. at the professor's office within three weeks of that class. Tests, etc. not picked up within the three weeks will be discarded. End of semester tests, 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.

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 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.

If a student is asked to leave the classroom a second time, he/she must make an appointment with the Dean for a disposition. At that time, a copy of the above letter will be given to the dean.

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 Introduction to Business. Therefore, no other activity will be permitted. Students 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 or otherwise communicating privately with other students, having a cell phone ring or talking on during class, etc.

Consistently late students will be asked to leave the class.

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.

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.