



COURSE OUTLINE: BCO207 - MACROECONOMICS

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Approved: Sherri Smith, Chair, Natural Environment, Business, Design and Culinary

Course Code: Title	BCO207: MACROECONOMICS
Program Number: Name	2035: BUSINESS 2050: BUSINESS -ACCOUNTING
Department:	BUSINESS/ACCOUNTING PROGRAMS
Semesters/Terms:	18F
Course Description:	In this course, students will discuss large-scale economic phenomena. Students will examine the behaviours of individual nations in a global economics context. Further, they will review the explanations for such things as prices and output in aggregate for an entire economy. Finally, they will examine technological change, global trade and the effect of tariffs.
Total Credits:	3
Hours/Week:	3
Total Hours:	45
Prerequisites:	There are no pre-requisites for this course.
Corequisites:	There are no co-requisites for this course.
Substitutes:	ECN104, OEL233
Vocational Learning Outcomes (VLO's) addressed in this course:	2035 - BUSINESS VLO 2 Apply principles of corporate sustainability, corporate social responsibility and ethics to support an organization's business initiatives. VLO 3 Use current concepts/systems and technologies to support an organization's business initiatives.
<small>Please refer to program web page for a complete listing of program outcomes where applicable.</small>	
Essential Employability Skills (EES) addressed in this course:	EES 1 Communicate clearly, concisely and correctly in the written, spoken, and visual form that fulfills the purpose and meets the needs of the audience. EES 2 Respond to written, spoken, or visual messages in a manner that ensures effective communication. EES 3 Execute mathematical operations accurately. EES 4 Apply a systematic approach to solve problems. EES 5 Use a variety of thinking skills to anticipate and solve problems. EES 6 Locate, select, organize, and document information using appropriate technology and information systems. EES 7 Analyze, evaluate, and apply relevant information from a variety of sources. EES 8 Show respect for the diverse opinions, values, belief systems, and contributions of others. EES 9 Interact with others in groups or teams that contribute to effective working relationships and the achievement of goals. EES 10 Manage the use of time and other resources to complete projects. EES 11 Take responsibility for ones own actions, decisions, and consequences.



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General Education Themes:	Social and Cultural Understanding	
Course Evaluation:	Passing Grade: 50%, D	
Books and Required Resources:	Connect with SmartBook Online Access for Principles of Macroeconomics by Sayer et.al. Publisher: Mcgraw Hill Publishers Edition: 9 ISBN: 9781259457272	
Course Outcomes and Learning Objectives:	Course Outcome 1	Learning Objectives for Course Outcome 1
	1. Describe basic economic issues and concepts, and understand how to read data and graphs.	1.1 Describe the importance of scarcity, choice, and opportunity cost, and how each is illustrated by the production possibilities boundary. 1.2 Describe how all actual economies are mixed economies, having elements of free markets, tradition, and government intervention. 1.3 Describe the market economy as self-organizing in the sense that order emerges from a large number of decentralized decisions. 1.4 Distinguish between positive and normative statements. 1.5 Describe the market economy as self-organizing in the sense that order emerges from a large number of decentralized decisions. 1.6 Identify several types of economic data, including index numbers, time-series and cross-sectional data, and scatter diagrams. 1.7 Describe the forces that drive market price to equilibrium, and how equilibrium price is affected by changes in demand and supply.
	Course Outcome 2	Learning Objectives for Course Outcome 2
	2. Define macroeconomics and describe the measurement of national income.	2.1 Define the key macroeconomic variables: national income, unemployment, productivity, inflation, interest rates, exchange rates, and net exports. 2.2 Describe how most macroeconomic issues are about either long-run growth or short-run fluctuations, and that government policy is relevant for both. 2.3 Describe how the concept of value added solves the problem of double counting when measuring national income. 2.4 Describe the income approach and the expenditure approach to measuring national income. 2.5 discuss the many important omissions from official measures of GDP.
	Course Outcome 3	Learning Objectives for Course Outcome 3
3. Describe the economy's operation in the short-run.	3.1 Describe the difference between desired and actual expenditure. 3.2 Describe the meaning of equilibrium national income.	
Course Outcome 4	Learning Objectives for Course Outcome 4	
4. Describe the economy's operation in the long run.	4.1 Describe the three different macroeconomic states, and the underlying assumptions for each one.	

	<p>4.2 Describe why output gaps cause wages and other factor prices to change.</p> <p>4.3 Describe why real GDP gradually returns to potential output following an AD or AS shock.</p> <p>4.4 Discuss the costs and benefits of economic growth.</p> <p>4.5 Describe the main elements of Neoclassical growth theory in which technological change is exogenous.</p> <p>4.6 Discuss alternative growth theories based on endogenous technical change.</p>
Course Outcome 5	Learning Objectives for Course Outcome 5
5. Define money and describe the operation of the banking system.	<p>5.1 Describe the various functions of money, and how money has evolved over time.</p> <p>5.2 Describe how commercial banks create money through the process of taking deposits and making loans.</p> <p>5.3 Describe the various measures of the money supply.</p> <p>5.4 Describe how monetary equilibrium determines the interest rate in the short run.</p> <p>5.5 Describe the difference between the short-run and long-run effects of monetary policy.</p> <p>5.6 Describe why the Bank of Canada chooses to directly target interest rates rather than the money supply.</p> <p>5.7 Explain how the Bank of Canada's policy of inflation targeting helps to stabilize the economy.</p>
Course Outcome 6	Learning Objectives for Course Outcome 6
6. Describe macroeconomic problems such as inflation/deflation, unemployment and government deficits.	<p>6.1 Describe why wages tend to change in response to both output gaps and inflation expectations.</p> <p>6.2 Describe how AD and AS shocks affect inflation and real GDP.</p> <p>6.3 Describe how the cost of disinflation can be measured by the sacrifice ratio.</p>
Course Outcome 7	Learning Objectives for Course Outcome 7
7. Describe the gains from international trade and discuss the impact of trade policies.	<p>7.1 Describe why the gains from trade depend on the pattern of comparative advantage.</p> <p>7.2 Describe how factor endowments and climate can influence a country's comparative advantage.</p> <p>7.3 Describe why countries export some goods and import others.</p> <p>7.4 Describe why countries export some goods and import others.</p> <p>7.5 Describe the various situations in which a country may rationally choose to protect some industries.</p> <p>7.6 Describe the effects of tariffs and quotas on imported goods.</p> <p>7.7 Discuss the main features of the North American Free Trade Agreement.</p>

Evaluation Process and Grading System:

Evaluation Type	Evaluation Weight	Course Outcome Assessed
Tests	100%	

Date:

June 22, 2018



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Please refer to the course outline addendum on the Learning Management System for further information.

