

**WILLIAM RAINEY HARPER COLLEGE**  
**BUSINESS AND SOCIAL SCIENCE DIVISION**  
**GENERAL COURSE OUTLINE**

ECO Course Prefix	212 Course Number	Macroeconomics Course Title	(3 - 0) Lec-Lab	3 Semester Hours
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**COURSE DESCRIPTION**

Covers economic problems faced by our society. Examination of resource allocation, national income and economic development, from a macroeconomic approach. IAI S3 901

**TOPICAL OUTLINE**

- I. An Introduction to Economics and the Economy
  - A. The Nature and Method of Economics
  - B. An Introduction to the Economizing Problem
  - C. The Market System and Structures of American Capitalism
  - D. Demand and Supply
- II. National Income, Employment, and Fiscal Policy
  - A. National Income Accounting: GDP, Unemployment, and Price Level Statistics
  - B. The Equilibrium Levels of Output, Employment, and Income
  - C. Fiscal Policy and the Public Debt
- III. Money, Monetary Policy, and Economic Stability
  - A. Money and Banking: Basics
  - B. How Banks Create Money
  - C. The Federal Reserve Banks and Monetary Policy
  - D. Monetarism: An Alternative View
- IV. Rational Expectations, Supply-side, and Austrian Theories
- V. Economic Growth: Analysis and Policy
- VI. International Economics
  - A. Comparative Advantage, International Trade, and Protection
  - B. Exchange Rates
  - C. Transition Economies and Developing Economies

**METHOD OF PRESENTATION**

1. Lecture/discussion
2. Overhead transparencies
3. Board outlines

**STUDENT OUTCOMES:** *(The student should...)*

1. understand the basic functions and operations of a capitalist economic system (review of microeconomics.) (I-A-H)
2. understand basic economic measurements. (II-A)
3. understand basic Keynesian theory. (II-B)
4. use AD/AS tools to investigate macro effects. (II-B)
5. explain the effects of fiscal policy. (II-C)
6. familiar with the origin and functions of money and banks. (III-A)
7. understand money creation by the banking system. (III-B)
8. know the functions and powers of the Federal Reserve System and the basics of monetary policy. (III-C)
9. understand the equation of exchange and the monetarist approach to policy. (III-D)
10. be familiar with alternative theories. (IV)
11. understand the basics of growth, in particular: capital formation (human and physical), technology, and political/social institutions. (V)

12. understand the principle of comparative advantage. (III-A)
13. understand the issue of free trade vs. protectionism. (III-B)
14. understand the factors determining exchange rates. (III-C)

#### METHOD OF EVALUATION

1. Multiple choice and short essay tests
2. Brief essays
3. Critical writing exercises
4. Article critiques
5. Class participation

#### TEXTBOOKS/INSTRUCTIONAL MATERIALS

McConnell & Brue, Macroeconomics, 17<sup>th</sup> edition, McGraw Hill, 2008.

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