

ECON 001A - PRINCIPLES OF ECONOMICS**CURRICULUM**

Subject Code and Course Number: ECON 001A
Division: Social Sciences
EMP Number & Descriptor: G3
Course Title: PRINCIPLES OF ECONOMICS

SLOs (Student Learning Outcomes)

1. Apply the concepts of scarcity and opportunity costs in making economic decisions.
2. Use the theory of demand and supply to explain market equilibrium and the effects of government interventions.
3. Analyze measures of national income accounting, economic growth, inflation and unemployment.
4. Identify, analyze and evaluate fiscal and monetary theory and policy.

SPOs (Student Performance Objectives)

- 1a. Define the concepts and principles of economic analysis contained in the production possibilities curve.
- 2a. Define the concepts and principles of economic analysis contained in the market demand-supply model
- 2b. Discuss government interventions in the form of price-floors and price-ceilings.
- 3a. Make a distinction between real and nominal GDP.
- 3b. Understand the difference between various price indices such as the GDP-deflator and the CPI
- 3c. Make a distinction between the core rate of inflation and the CPI based inflation rate.
- 3d. Understand the difference between the unemployment rates when including or excluding workers who are marginally attached to the labor force.
- 4a. Draw and explain the Income-Expenditure model and the Aggregate Demand and Supply model.
- 4b. Explain the concept of equilibrium in the goods and money markets.
- 4c. Explain the effect of expansionary and contractionary macropolicies.
- 4d. Discuss the organizational structure of the Fed.
- 4e. Explain open market operations, required reserve ratio and discount rate policies.

CCOs (Course Content Outline)

1. The economic way of thinking
 - 1.1. Scarcity and Choice.
 - 1.2. The production possibilities frontier.
 - 1.3. Efficiency, inefficiency, economic growth and decline.
 - 1.4. Economic systems; free markets and command systems.
2. The operation of free markets.
 - 2.1. Demand, supply curves and market equilibrium.
 - 2.2. Market distortions - Price-floors, price-ceilings.
 - 2.3. Changes in equilibrium market price and quantity.
3. Measuring macroeconomic variables.
 - 3.1. Measuring gross domestic product using the expenditure and income methods.
 - 3.2. Measuring net domestic product, national income, personal income and disposable income.
 - 3.3. Measuring price indices, computing real GDP and the CPI based rate of inflation
 - 3.4. Measuring the unemployment rate.
 - 3.5. Measuring fluctuations in national output and the business cycle.
4. Theoretical macroeconomic models
 - 4.1. Consumption, saving and the investment demand functions.
 - 4.2. The total expenditure function and equilibrium in the goods market.
 - 4.3. The derivation of the expenditure, tax and balanced budget multipliers.
 - 4.4. Government interventions through expansionary and or contractionary fiscal policies.
 - 4.5. The money demand, money supply and equilibrium in the money market.
 - 4.6. The derivation of the simple money multiplier.
 - 4.7. Monetary policy and changes in equilibrium in the money market.
 - 4.8. Aggregate demand and supply models.
 - 4.9. Short-run and long-run aggregate supply curves.
 - 4.10. Relationship between inflation and the unemployment rate in both the short-run and the long-run.
 - 4.11. The difference between the various schools of thought such as: Keynesian, Monetarists and Supply Side economics.
 - 4.12. Consequences of policy decisions on economic growth and development, unemployment, deficits and national debt.
5. The Federal Reserve and the monetary system
 - 5.1. Tools of monetary control i.e., open market operations, discount rate policy and changing the required reserve ratio.
 - 5.2. Expansionary and contractionary monetary policies.
 - 5.3. Targeting interest rates and the core rate of inflation.

Method of Instruction

Lecture, Group Discussion

Methods of Evaluation of Student Performance:

Exams, quizzes, term paper

Assignments:

1. Homework assignment:

You are required to complete assigned work from each chapter of the textbook. Homework assignments will be collected for each chapter covered in the course. In answering each problem, you are required to provide a full explanation, including graphs and calculations, where appropriate. No credit will be given if the instructor cannot follow the logic of your thinking.

You are also expected to complete designated "brainstorm packets". The following is an example of type of problem that may appear on a brainstorm packet:

- a. Mathematically (do not use graph) solve the equilibrium for the market for X (hint: first derive the demand function from its schedule). What is the Equilibrium quantity and price?

- The supply function : $Q_s = -50 + 10P_x$
- The demand schedule is:

Price	Quantity
0	550
5	525

2. Suppose that goods X & Y are normal goods and complements for one another. Assume that the government imposes new restrictions on the production of X (only) for the purpose of limiting environmental pollutions. Further suppose that a new product, Z, which is essentially a substitute for X (but not for Y) creates a sensation and becomes a fad. Show graphically and explain how these two effects will impact the market for X and the market for Y. (hint: you must draw two graphs, one for the market for X and the other for the market for Y. Clearly indicate all shifts if any).

2. Term Paper and Oral Presentation:

Choose a current event that involves topics covered in class, such as GDP, Unemployment, Inflation, Government Debt/Deficit, International Trade, Fiscal Policy, Monetary Policy, etc. Read the Wall Street Journal, the New York Times, the LA times or other similar caliber newspaper that covers economic news and choose a minimum of 10 current articles on which to write a "journals." Each journal entry must begin with a maximum of 1 paragraph summarizing the news article and have a minimum of 2 paragraphs theoretically analyzing the article where You are expected to apply the theories they learned in class. The latter 2 paragraphs may include graphs and mathematical analysis if appropriate. Each journal entry must be attached to the hard copy of the news article on which the "journal" is based. At the end of the term, you will present your findings to the class during a 5 to 10 minute power point presentation.

TECHNICAL DETAILS

Catalog Description:

Macro-economics. Introduction to concepts and tools of economic analysis. Theory of demand and supply, national income accounting, economic growth, recessions and inflation. Fiscal and monetary theories and policies. The Federal Reserve system, tools of monetary control and international trade and finance. Total of 54 hours lecture.

<i>Transfer Credit: CSU; UC</i>

Prerequisite(s):

<i>One of the following courses: Math 125 or Math 127B or Math 128B or Math 150.</i>

Co-requisite(s):

Recommended Preparation:

Enrollment Limitations:

Units: 3.0

Number of Contact Hours per Semester

Lec: 54

TBA Lec:

Lab:

TBA Lab:

Activity:

TBA Activity:

Hours By Arrangement:**Repeatability:** Not Repeatable

The repeatable restrictions apply for Credit Courses do not apply to Non-Credit Courses. Only Non-Credit Courses can be repeated on unlimited number of times.

Reason for Repeatability:

- ☐ Courses for which repetition is necessary to meet major requirements of CSU or UC for completion of a bachelor's degree.
- ☐ Intercollegiate Athletics
- ☐ Intercollegiate academic or vocational competition

Methods of Delivery:

- ☒ Face-to-Face
- ☐ On-Line - Primarily taught via Internet
- ☐ Hybrid - Blend of On-Campus and On-Line
- ☐ ITV - Instructional T.V.

Maximum Class Size: 35**Minimum Qualifications (Discipline)**ECONOMICS
Economics - Masters**Semester of First Offering:** Summer 2014**Grading Option:** GR - Credit course taken for letter grade only**COURSE APPLICABILITY, TRANSFER AND ARTICULATION**

Course Credit Status: D Credit – Degree Applicable

State Transfer Code: A Transferable, UC/CSU/Private

State Classification Code: A Liberal Arts/Sciences Degrees

Basic Skills Status/Level: Y NA

Purpose of the Course:

- ☒ Aligns with C-ID Descriptor [Econ 202](#)
- ☒ AA-T/AS-T requirement [Business, Political Science](#)
- ☒ UC Transferable
- ☒ IGETC Area [4: Social and Behavioral Sciences](#)
- ☒ CSU GE Breadth Area [D-2 Economics](#)
- ☒ Gen Ed. Local AA Degree [4B - Economics](#)
[Social and Behavioral Sciences](#)
- ☐ AA/AS Diversity Requirement in:
 - ☐ Global Studies
 - ☐ Ethnic & Gender Studies
- ☐ Other
- ☐ CareerTech Certificate
- ☐ Non-Credit Certificate
- ☐ Non-Credit Adult High School Diploma

REPRESENTATIVE TEXTBOOKS OR OTHER MATERIALS

Book 1:

Author: [McConnell](#)
Title: [Macro Economics Set](#)
Publisher: [McGraw-Hill](#)
Date of Publication: [2012](#)
Edition: [19th](#)

Book 2:

Author: [Miller](#)
Title: [Economics Today](#)
Publisher: [Pearson](#)
Date of Publication: [2013](#)
Edition: [17th](#)

Book 3:

Author: [Melvin & boyd](#)
Title: [Economics](#)
Publisher: [Southwestern Cengage](#)
Date of Publication: [2013](#)
Edition: [9th](#)

Other materials and/or supplies required of students:

RESOURCES & DEPARTMENT PLANNING

Additional Resources Needed:

Facilities:

Equipment:

PROGRAM APPLICABILITY**Program Information:**

- ☒ In an approved program
- ☐ Part of a new program
- ☐ Not part of an approved program

Program Category:

- ☐ General Education
- ☐ Career and Technical Education Program
- ☐ Noncredit Program

TOP Code Information

Program 220400 Economics

SAM Code:

- ☐ A - Apprenticeship Course
- ☐ B - Advanced Occupational
- ☐ C - Clearly Occupational
- ☐ D - Possibly Occupational
- ☒ E - Non-Occupational

NON-CREDIT ONLY**Funding Category:**

- ☐ English as a Second Language
- ☐ Immigrant Education
- ☐ Elementary & Secondary Education
- ☐ Health & Safety Education
- ☐ Education Programs for Persons with Substantial Disabilities
- ☐ Parenting Education
- ☐ Family & Consumer Sciences
- ☐ Education Programs for Older Adults
- ☐ Short-term Vocational Programs With High Employment Potential
- ☐ Workforce Preparation Enhanced Funding
- ☐ Other Non-Credit Enhanced Funding
- ☐ Non-enhanced Funding