

ECON 101H: PRINCIPLES OF MACROECONOMICS - HONORS

Citrus College Course Outline of Record

Heading	Value
Effective Term:	Fall 2024
Credits:	3
Total Contact Hours:	54
Lecture Hours :	54
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	108
Total Student Learning Hours:	162
Prerequisite:	Concurrent enrollment in an algebra based math course OR completion of, or direct placement into, an algebra based transfer-level math course; and, student must be eligible for the Citrus College Honors Program or obtain a recommendation from an Honors instructor.
Strongly Recommended:	ENGL 101.
District General Education:	D1. History and Political Science
Transferable to CSU:	Yes
Transferable to UC:	Yes - Approved
Grading Method:	Standard Letter

Catalog Course Description

A macro economics course that focuses on aggregate economic analysis and its applications. Topics include: theory of market systems; economic cycles including recession, unemployment and inflation; national income accounts; macroeconomic equilibrium; money and financial institutions; monetary and fiscal policy; and international trade and finance. It also tackles the application of the theory to different economic issues, such as the energy market, outsourcing and unemployment, lending practices among financial institutions and its effects on the real estate market, the budget deficit, the trade deficit, national health care proposals, and immigration. Students are expected to participate at an honors level which includes research of the application cases, analysis of issues, and strong critical thinking and writing skills to evaluate current policies and generate optimal solutions. 54 lecture hours.

Course Objectives

- Identify, interpret and analyze macroeconomic graphs and data.
- Apply macroeconomic models to understand the economy. Compare and contrast the main theories that explain macroeconomic activities including recessions, expansions, employment, and inflation and show the differences using graphs and calculations for the purpose of developing better understanding of economic trends. Research current economic issues and analyze them as they apply to economic theory for the purpose of formulating creative, original solutions to the issues using written reports and classroom discussion.
- Analyze the economic impacts of monetary and fiscal policy.

- Demonstrate an understanding of the function of the central bank and the banking system.
- Demonstrate an understanding of the concepts of scarcity and choice, which define the field of economics by providing examples from daily life through classroom discussion, written essays and exams. Present and discuss applications of economic theory through class presentations to demonstrate leadership and presentation skills needed to successfully navigate an honors level economics course.

Major Course Content

1. Fundamentals of Economic Thinking
 - a. Scarcity
 - b. Factors of Production
 - c. Circular Flow Chart
 - d. Marginal Analysis
 - e. Positive vs. Normative Analysis
 - f. Rational Choices
2. Opportunity Costs
 - a. Production Possibilities Curve
 - b. Law of Increasing Opportunity Cost
 - c. Economic Growth
 - d. Real Value vs. Nominal Value
3. Economic Systems
 - a. Operation of Markets
 - b. Market Economic System and Command System
 - c. Fundamental Economic Questions
4. Demand and Supply
 - a. Law of Demand, Demand Curve and Market Demand
 - b. Changes in Demand and Changes in Quantity Demanded
 - c. Law of Supply, Supply Curve and Market Supply
 - d. Changes in Supply and Changes in Quantity Supplied
 - e. Market Equilibrium
 - f. Changes in Demand, Supply and Equilibrium
5. Measuring Domestic Production and National Income
 - a. Gross Domestic Product
 - b. Expenditures Approach
 - c. Income Approach
 - d. Net Domestic Product, Personal Income, Disposable Income
 - e. Real GDP and Nominal GDP
 - f. Business Cycle
6. Unemployment and Inflation
 - a. Unemployment Rate
 - b. Types of Unemployment
 - c. Labor Force Participation Rate
 - d. Inflation, Deflation and Hyperinflation
 - e. Measurement of Inflation and Price Indices
 - f. Real and Nominal Interest Rates
7. Economy at Full Employment
 - a. Production Function
 - b. Wages and Demand and Supply for Labor
 - c. Labor Market Equilibrium and Full Employment
8. Macroeconomic Relationships

- a. Income-Consumption Model
- b. Income-Savings Model
- c. Expected Rate of Return
9. Aggregate Demand and Aggregate Supply
 - a. Aggregate Demand
 - b. Changes in Aggregate Demand
 - c. Short Run and Long Run Aggregate Supply
 - d. Changes in Aggregate Supply
 - e. Equilibrium and Changes in Equilibrium
10. Fiscal Policy
 - a. Expansionary and Contractionary Fiscal Policy
 - b. Fiscal Multiplier
 - c. Tax Multiplier
 - d. Deficits
 - e. Debt
11. Money and Banking
 - a. Definition of Money, M1, M2, MZM
 - b. Federal Reserve System and the Banking System
 - c. Federal Open Market Committee
 - d. Functions of the Federal Reserve System
 - e. Expanding the Money Supply
12. Monetary Policy
 - a. Demand for Money
 - b. Equilibrium Interest Rates
 - c. Expansionary and Contractionary Monetary Policy
 - d. Tools of Monetary Policy
13. International Trade
 - a. Comparative Advantage and Absolute Advantage
 - b. Domestic Opportunity Cost
 - c. Terms of Trade
 - d. Gains from Trade
 - e. Principle of Comparative Advantage
 - f. GATT, World Trade Organization, NAFTA, European Union
14. International Finance
 - a. Exchange Rates
 - b. Balance of Payments
 - c. Trade Deficits
 - d. Fixed Exchange Rates
 - e. Flexible Exchange Rates
 - f. Depreciation and Appreciation

with analysis, facts, or opinion of an authority on the subject. Remember. Ethical arguments touch on questions of fairness, good and bad, personal benefit versus social benefit, freedom and violence....Value judgments. Discuss in class.

Examples of Outside Assignments

Think of a product for which the demand or supply has changed (see ch 4 for the meaning of change or shift in D, S). Think of a reason as to why it may have changed. Relate that reason to one of the factors that can cause D or S change (see ch 4 for factors that cause D, S to change or shift). Illustrate the change on a graph.

Instruction Type(s)

Lecture, Online Education Lecture

IGETC Area 4: Social and Behavioral Sciences

4B. Economics

Suggested Reading Other Than Required Textbook

Wall Street Journal, Business Week, Economist, Forbes, Los Angeles Times Business Section, or any other business periodical.

Examples of Required Writing Assignments

Choose a topic that has an ethical dimension like agricultural price supports. Research the subject with the goal of finding two arguments in support of the issue and two arguments against it. Write no longer than two pages stating your position on the issue and presenting the two arguments for and the two arguments against it. Support your arguments