

SYLLABUS  
PART I  
EDISON COMMUNITY COLLEGE  
ECO 222S PRINCIPLES OF MACROECONOMICS  
3 CREDIT HOURS

COURSE DESCRIPTION

Introduction to national income and employment analysis, money and banking, monetary and fiscal policies, alternative economic systems, principles of international trade, problems of a world economy, and selected issues of contemporary relevance. Prerequisites: ECO 120S or ECO 221S

COURSE GOALS

The student will:

1. Explain national income accounting, the components and the approaches.
2. Illustrate the unemployment and inflation problems of macroeconomic instability.
3. Present aggregate demand and aggregate supply concepts as determining factors of the economy's real output and price levels.
4. Contrast the classical and the Keynesian theories of employment.
5. Use the Keynesian model to explain what determines the real domestic output and its equilibrium (i.e., employment) level.
6. Analyze fiscal policy alternatives to influence the economy.
7. Understand the role of the banking system and monetary policy alternatives to influence the economy.
8. Examine alternate views to Keynesian analysis (i.e., monetarism, rational expectations, and supply-side economics)
9. Present the concepts of federal budget deficits, public debt, and the possible long-term outcomes of their existence.
10. Present alternate views of productivity and economic growth.
11. Examine the role of government in correcting for market failures.
12. Present the concepts of public choice theory, taxation, and the difficulties in determining fairness in tax issues.
13. Identify major issues that impede free trade in the international economy and those which promote stability in trade.
14. Briefly examine the collapse of the command economy as a model of macroeconomic activity.

CORE VALUES

The Core Values are a set of principles which guide in creating educational programs and environments at Edison. They include communication, ethics, critical thinking, human diversity, inquiry/respect for learning, and interpersonal skills/teamwork. The goals, objectives, and activities in this course will introduce/reinforce these Core Values whenever appropriate.

TOPIC OUTLINE

1. Measuring Domestic Output (GDP), National Income, and Price Levels
2. Macroeconomic instability: Unemployment and Inflation
3. Aggregate Demand and Supply
4. Classical and Keynesian Theories of Employment
5. Equilibrium Domestic Output in the Keynesian Model
6. Federal Budget and Fiscal Policy
7. The Banking System and Monetary Policy
8. Monetarism, Rational Expectations, and Supply-Side Economics

9. Budget Deficits and Public Debt
10. Economic Growth
11. Government Role in Correcting for Externalities
12. Principles of Taxation to Fund Government Activity
13. Trade and International Economics
14. Collapse of Soviet Communism