

Bossier Parish Community College

Syllabus

Course Prefix and Number: BADM 201

Credit Hours: 3

Course Title: Economic Principles 1

Course Prerequisites: None

Textbook: Economics: A Contemporary Introduction, by William A. McEachern, 8th edition, Southwestern Publishing Company, 2009.

Course Description: An introduction to macroeconomic theory with application of macro principles to problems of unemployment, inflation, economics growth, fiscal policy, and monetary policy.

Learning Outcomes:

At the end of this course, the student will

- A. demonstrate knowledge of the market system and how the system affects the decisions of consumers and producers ;
- B. demonstrate knowledge of productivity, economic growth, unemployment and inflation;
- C. measure/ monitor major economic variables;
- D. demonstrate knowledge of role of money in the economy, and how the FED controls the money supply; and
- E. demonstrate knowledge of tools used by the federal government and the federal reserve to influence the economy.

To achieve the learning outcomes, the student will

(The letter designations at the end of each statement refer to the learning outcome(s).)

demonstrate knowledge of the key terms of the market system: (A)

1. define and graph the supply curve,
2. define and graph the demand curve,
3. define and locate equilibrium on a graph,
4. define and calculate ceilings,
5. define and calculate floors,
6. define and demonstrate surplus on a graph,
7. define and demonstrate shortage on a graph,
8. learn the five determinants of supply,
9. learn the five determinants of demand,
10. shift the demand curve,
11. shift the supply curve,
12. calculate the new equilibrium,
13. identify both change in “quantity demanded” and change in “demand,”

14. identify both change in “quantity supplied” and change in “supply,”
15. discuss aggregate demand, aggregate supply, and equilibrium,
16. explain U. S. economy before the great depression,
17. explain from the great depression to the early 70’s,
18. explain the great stagflation 1973 to 1980,
19. explain U. S. economic fluctuations,
20. explain U. S. economy since 1980,
21. identify Keynesian economics (demand side)
22. identify Reagan economics (supply side)

demonstrate knowledge of what major factors improve or retard the health of the economy: (B)

23. define productivity and how it is measured,
24. define output per capita (standard of living) and how it is measured,
25. define growth and how it is measured,
26. link education and economic development,
27. link labor productivity and economic development,
28. link increasing size of the service sector and economic development,
29. link increasing size of government and economic development,
30. link research and development and economic development,
31. link industrial policy and economic development,
32. explain how unemployment is measured,
33. explain employment participation is measured,
34. explain the meaning of full employment,
35. explain how unemployment is measured,
36. identify the two sources of inflation,
37. explain why inflation is more unpopular than unemployment,

demonstrate knowledge of major national accounts and key expenditures related to predicting changes in aggregate demand and result on the economy: (C)

38. list national income accounts,
39. list sources of national income,
40. calculate GDP using the expenditure approach,
41. calculate GDP using the income approach,
42. define and calculate consumer price index,
43. graph the consumption function,
44. graph the investment function,
45. graph the government function,
46. graph the net export function,
47. calculate marginal propensities to consume and save,
48. list non-income determinants of consumption,
49. list non-income determinants of investment,
50. calculate the simple spending multiplier,
51. use the simple spending multiplier to predict changes in GDP,

discuss the role of money in the economy: (D)

52. list the four functions of money,
53. discuss various forms of money (token, fiat, commodity),
54. explain changes in the value of money over time,
55. history of banks and thrifts including formation of the Federal Reserve Bank,
56. explain the role of the FED in our economy by listing the goals of the FED,
57. identify M1, M2, and M3,
58. explain how banks create money through excess reserves,
59. list and tools of the FED and explain how they are to regulate the money supply,
60. use the money multiplier to predict changes in GDP,

discuss fiscal policy, monetary theory and policy and how these policies affect the health of the economy: (E)

61. explain fiscal policy using the employment act of 1946,
62. define potential output,
63. define expansionary gap (economy too hot),
64. define concretionary gap (economy too cold),
65. link government purchases and taxes to fiscal policy,
66. explain automatic stabilizers,
67. explain the quantity theory of money,
68. explain the equation of exchange,
69. explain the velocity of money,
70. link Milton Freedman to monetary policy and the FED,
71. discuss problem with pursuing an active fiscal policy,
72. define recognition lag, decision lag, implementation lag, and effectiveness lag and their effect on active policy,

explain how a large government affects the economy and what improvements could be made: (E)

73. national retail sales tax, and
74. privatizing social security.

Course Requirements:

1. Students are expected to attend classes regularly; excessive unexcused absences constitute grounds for suspension.
2. Students are encouraged to use the BPCCLibrary to research business topics which interest them and to be aware of employment opportunities.

Course Grading:

- A. Letter grades will be assigned based on a ten point grading scale (89.50-100 = 'A', 79.50-89.49='B', 69.50-79.49='C', 59.50-69.49='D', 0-59.49='F').
- B. Instructors will give at least four major tests. The last test will be a comprehensive final examination.
- C. Instructors may give unannounced quizzes and/or grade homework assignments.