



Course Outline

Economics
School of Business & Economics
ECON 1950 - **3.00** - Academic
Principles of Macroeconomics

Rationale

Update Curricunet to reflect standard course outlines established by the School.

Calendar Description

Students examine economic behaviour at the aggregate level, and the measurement and determination of national income. Topics include an introduction to economics; measuring macroeconomic variables including gross domestic product, unemployment, and inflation; the Keynesian model; aggregate demand and supply; money and banking; the money market; fiscal policy; monetary policy and the central bank; exchange rates and the balance of payments; and economic growth.

Credits/Hours

Course Has Variable Hours: No

Credits: 3.00

Lecture Hours: 3.00

Seminar Hours: 0

Lab Hours: 0

Other Hours: 0

Clarify:

Total Hours: 3.00

Delivery Methods: (Face to Face)

Impact on Courses/Programs/Departments: No change

Repeat Types: A - Once for credit (default)

Grading Methods: (S - Academic, Career Tech, UPrep)

Educational Objectives/Outcomes

1. Discuss macroeconomic problems.
2. Define, describe, and compute national income.
3. Explain current and past economic events, particularly in periods of high unemployment and inflation, using macroeconomics theories.
4. Explain the multiplier concept and its importance.

5. Describe the role of the monetary sector in affecting the real sector of the economy.
6. Compare and contrast how monetary and fiscal policies affect the economy.

Prerequisites

Foundations of Mathematics 11 with a minimum B or

Pre-calculus Math 11 with a minimum B

or

MATH 0510-Algebra 2

or

MATH 0530

or equivalent

Co-Requisites

Recommended Requisites

Completion of one of Foundations of Mathematics 12, Pre-calculus 12 is highly recommended

Exclusion Requisites

ECON 1951-Principles of Macroeconomics

Texts/Materials

Textbooks

1. **Required** Mankiw, Kneebone, McKenzie, Rowe. *Principles of Macroeconomics*, 5th Canadian ed. Thomson Nelson

Student Evaluation

The Course grade is based on the following course evaluations.

Participation 0-20% (0.00%) Assignments/quizzes 0-20% (0.00%) Project 0-25% (0.00%) Midterm(s) 30-60% (0.00%) Final exam 30-50% (0.00%)

Course Topics

1. Introduction to Economics
 - Scarcity, choice, and opportunity cost
 - Production possibility frontier
 - Circular flow of national income
2. Measuring Macroeconomic Variables
 - Measuring GDP by the income and expenditure approaches
 - Nominal versus real GDP
 - Defining and measuring unemployment
 - Defining and measuring inflation

3. The Keynesian Model

- Consumption, saving and investment functions
- Keynesian equilibrium
- Multiplier concept

4. Aggregate Demand and Aggregate Supply

- Aggregate demand, aggregate supply, and the macroeconomic equilibrium

5. Money and Banking

- Characteristics of money
- Fractional reserve banking
- Modern banks and the creation of money
- Money multiplier

6. The Money Market

- Supply of and demand for money
- Equilibrium in the money market
- Monetary transmission mechanism

7. Fiscal Policy

- Defining fiscal policy

Methods for Prior Learning Assessment and Recognition

As per TRU Policy

Last Action Taken

Implement by Submission Preview Subcommittee Chair Peggy McKimmon

Current Date: 27-Oct-20