

COURSE OUTLINE
ORANGEBURG-CALHOUN TECHNICAL COLLEGE
ORANGEBURG, SOUTH CAROLINA

SEMESTER

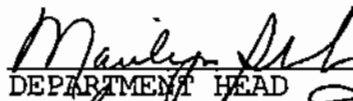
Introduction to Economic Principles

ECO 201

Developed By: Mary Jo McDonald
Revised By: Mary Jo McDonald

Date: February, 1992
Date: April, 2000

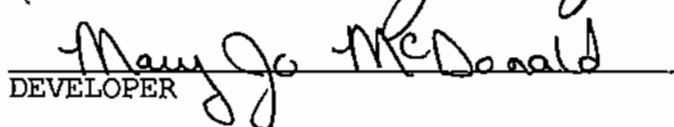
Approved By:


DEPARTMENT HEAD

5-10-00
DATE


DIVISION CHAIRMAN

5/12/00
DATE


DEVELOPER

4-25-00
DATE

ECO 201, Introduction to Economic Principles

Lecture Hrs: 3.0 Lab Hrs: 0
Contact Hrs: 3.0 Credit Hrs: 3.0

Instructor's Name: _____

Office No./Building: _____

Telephone: _____

Office Hours: _____

Course Description:

A comprehensive study to familiarize the student with both microeconomic and macroeconomic concepts and selected economic problems.

Prerequisite:

No formal prerequisites, but must have adequate reading skills and basic math ability to undertake this course.

Why Take This Course:

This course enhances one's ability to think through problems. It also exposes the student to current economic events and the theories encompassed in these events.

Textbook:

Essentials of Economics: , by Bradley Shiller; 3rd edition, 1999. McGraw-Hill Publishing Co.

Grading:

Major Tests (1 dropped)	50%
Pretests and Quizzes (2 dropped)	20%
Final Exam (cumulative)	30%

Exemption Policy:

The student may exempt the final exam in one of two ways:

a. The student is present in class on time 90% of the time and has a "C" average or above going into the final exam.

OR

b. The student has an "A" average going into the final.

Grading Policy:

90 - 100 = A
80 - 89 = B
70 - 79 = C
60 - 69 = D
59.5 and below = F

Attendance Policy:

The official attendance policy for this class is stated in the college handbook.

ALSO, NOTE THAT AFTER 10 MINUTES, THE STUDENT IS COUNTED ABSENT.

Make-Up Work:

No make-up work is allowed. The dropped grades in each category allow for missed days.

The student is solely responsible for obtaining any class notes, worksheets, etc. from a fellow class member if he or she is absent.

Classroom Rules:

Prior permission is needed when visitors attend class.
Small children should not be brought to class.

Class Schedule:

1st 9 Weeks: Microeconomic Concepts

Demand and Supply
Elasticity
Market Structure

Next 6 Weeks: Macroeconomic Concepts

Fiscal Policy
Money and Banking
The Federal Reserve

Date Announced During
the Semester:

Final Exam

Objectives:

To give student a theoretical foundation to economic concepts.

To develop economic concepts to build student's knowledge of economic happenings.

To increase student's awareness of current economic affairs and how they affect each individual.

Course Competency Area A: Microeconomic Concepts

Specific Competency:

1.0 Analyze the concepts of demand and supply.

Learning Objectives:

1.1 Define complements, substitutes, income effect, inputs, tastes and preferences, technology, and expectations.

1.2 Define equilibrium, shortage, surplus, and model.

- 1.3 Discover how prices change in the real world.
- 1.4 Recognize the factors that affect demand and supply of goods.
- 1.5 Anticipate changes in demand and supply on world-wide basis.

Library Resources

Bowden - Read and study chapter 5. Answer questions on pages 84-85.

Froyer & Greer - Read chapter 3 on pages 54-82. Answer questions on page 82.

Create 4 examples of demand and supply changes and demonstrate the changes on graphs.

Find 2 examples of demand and supply from the newspaper.

Enrichment:

Instructor Resources

Browning - Read chapter 1 on pages 1-25. Answer starred questions on pages 25-27.

Library Resources

McConnell - Read pages 103-128. Analyze the theories presented and explain one that is closely related to your own ideas.

Fels and Uhler - Read case I-6 on page 34.
Answer questions on page 35.
Read case I-8 on pages 52-53.
Answer questions on pages 53-54.

Specific Competency:

- 2.0 Using demand and supply, identify and explain the concept of elasticity.

Learning Objectives:

- 2.1 Define elasticity.
Define revenues and profits.
Define relative change and coefficient of elasticity.
Recognize price elasticity formula.
Differ between elastic and inelastic.
- 2.2 Recognize why prices in some areas change and in other areas, they don't.
- 2.3 Determine how suppliers use elasticity to decide how much they will raise or lower prices.

Learning Activities:

Find at least 3 examples of elasticity theory in current news events.

Study handouts on elasticity graphs.

Work through elasticity worksheets in class.

Enrichment:

Library Resources

Microeconomics in Action - Read pages 11-13. Read application #4 on pages 13-14.
Answer questions on pages 14-15. Read application #7 on pages 18-20.
Answer questions on page 20.

Fels and Uhler - Read case I-14 on pages 84-86. Answer questions on page 20.

Instructor Resources

Hailstones - Read pages 85-91. Answer question #8 on page 92.

Arnold - Read pages 460-461. Study charts on both pages.

Answer questions 6, 7, 8, 9, and 10 on page 476.

Specific Competency:

3.0 Analyze the five types of market structure.

Learning Objectives:

- 3.1 Define monopoly, oligopoly, cartel, perfect competition, and monopolistic competition. Recognize characteristics of each market type. Define concentration ratios and natural monopoly.
- 3.2 Designate what category a business on main street would fit into.
- 3.3 Determine why some businesses merge.

Learning Activities:

Take a list of potential businesses and place each in appropriate category.

View film "In Search of Excellence" in library.

Study chart on the 5 types of market structure.

Enrichment:

Library Resources

Microeconomics in Action - Read pages 52-54. Answer
by Cameron questions 1-9 on pages 54-
55.

Carson - Read issue #4 on pages 74-91.

Principles in Macroeconomics - Read pages 47-51.
by Reynolds Answer questions on page
50.

Instructor Resources

Browning - Read Chapters 11, 12, and 13. Answer
starred questions at the end of each
chapter.

Course Competency Area B: Macroeconomic Concepts

Specific Competency:

1.0 Compare and contrast the two concepts:
unemployment and inflation.

Learning Objectives:

1.1 Recognize differences in recessions and
depressions.

1.2 Outline the types of unemployment in society.

1.3 Be able to anticipate changes in unemployment and
inflation in society.

1.4 Distinguish changes in government indicators in
the newspaper.

Learning Activities:

View film on "Unemployment and Inflation" in the
library.

View film on "Economic History of the U.S."

Follow and record Unemployment and Inflation figures
for each month in the quarter.

Work handout on GNP and CPI.

Enrichment:

From a historical chart, plot inflation and unemployment figures since the depression of 1929.

Interview business people in the community and ask them their views on unemployment and inflation.

Library Resources:

Weiler - Read pages 273-298.

Macroeconomics in Action - Read page 91. Answer questions on page 92. Read pages 94-97. Answer questions on page 97.
by Cameron

Principles in Action - Read pages 112-126. Answer questions on pages 114, 116, 120, 123, and 125.

Specific Competency:

2.0 Evaluate the government's role in our economy.

Learning Objectives:

2.1 Define public goods, private goods, and quasi-public goods.

Define redistribution of income and stabilization of the economy.

2.2 Define social costs and private costs.

Define effluent charges.

Define Bubble Plan Approach.

Define allocative efficiency and externalities.

2.3 Recognize problems in government involvement from news clippings.

2.4 Compare agencies and their effectiveness in dealing with various economic problems.

Learning Activities:

Investigate agencies such as the CPSC, FDA, and FTC.
Select problems they have dealt with in the past.

Go to library and find at least one journal article
dealing with governmental involvement.

Enrichment

Formulate a chart that list all federal agencies and what
they do.

Library Resources:

Fels and Uhler - Read case A-2 page 97-98. Answer
questions 1-4 on page 98.

Weiler - Read Case #14 pages 92-98.
Read Case #15 pages 99-105.

McConnell - Read pages 154-184.

Principles in Macroeconomics - Read pages 16-22.
by Reynolds Answer questions on
pages 18, 19, and 22.

Specific Competency:

3.0 Examine and assess fiscal policy and its
components.

Learning Objectives:

- 3.1 Define fiscal policy.
Define transfer payments.
List reasons for growth in fiscal policy.
- 3.2 Define progressive, proportional, and regressive.
Define benefits-received and ability-to-pay
principles.
Define tax loophole, tax deduction, tax credit,
and tax incidence.
- 3.3 Be able to discriminate among the various types of
taxes.
- 3.4 Recognize the amount of taxes and government
spending programs one individual is exposed to.

3.5 Review state and local budgets.

Learning Activities:

View film "The Income Tax Controversy" in library.

Instructor Resources:

Hailstones - Read pages 371-392. Answer questions 1-8 on page 393.

Study handout on taxes and tax calculations.

Review tax changes from the Reform Bill of 1986.

Work through worksheet on tax calculations.

Enrichment:

Obtain a copy of your state and local budgets. Evaluate where expenditures and revenues go and come from.

Make a list of the amount of money spent on taxes on individual basis per year.

Library Resources:

Fels and Uhler - Read Case studies A-8 and A-11. Answer questions on page 118, 119, and 155.

Principles in Macroeconomics - Read pages 67 by Reynolds -73. Answer questions on page 69 and 72.

Specific Competency:

4.0 Analyze monetary policy and the banking industry,

Learning Objectives:

- 4.1 Define money, M1, M2, M3, L, demand deposits, time deposits, NOW accounts, and EFT.
Define money multiplier formula (deposit multiplier).

- 4.2 Define fractional reserve system & excess reserves.
Define district bank.
Define Board of Governors and Open Market Committee.
List major events in banking history, ending with the Banking Act of 1980.

- 4.3 Define reserve ratio, open market operations, discount rate, aggregate demand, contractionary policy, and expansionary policy.

- 4.4 Compare conflicts between monetary policy and fiscal policy.
Discuss the issue of the independence of the Board of Governors.

- 4.5 Familiarize the student with basic banking procedures.

Learning Activities:

Construct chart showing the differences in monetary and fiscal policy.

Study handout on chart of command in banking.

View film "The Savings and Loan Crisis" in library.

Enrichment:

Obtain a copy of your bank's policies and procedures.

Interview a banking employee asking questions regarding monetary policy.

Library Resources:

Principles in Macroeconomics - Read pages 73-78.
Answer questions on pages 75 & 78. Answer questions on pages 80, 83, and 85.
Read pages 86-91.
Answer questions on pages 87 & 91.

Macroeconomics in Action - Read pages 53-56. Answer by Cameron questions 1-8 on page 56.

The following is a list of references used in this outline. In the manual, the references will be referred to by the author's last name.

TEXT

The following book will be used as the main text for the course.

Starr: Economics: Principles in Action by Philip Starr, 5th Edition by Wadsworth Publishing Company, 1988.

LIBRARY RESOURCES

The following references can be found in the Orangeburg-Calhoun Technical College main library and are listed with their library reference numbers.

Antell and Harris	<u>Economics for Everybody</u> by Gerson Antell and Walter Harris, published by Amsco School HB 171.5 .A58
Barron and Lynch	<u>Economics</u> by John Barron and Gerald Lynch, published by Mosby College Publishing, 1986 HB 171.5 .B3145
Bowden	<u>Economics: The Science of Common Sense</u> by E.V. Bowden, published by South Western Publishing Company, 1989 HB 171.5 .B69238

- Cameron Economics in Action by Beverly Cameron and Norman Cameron, published by St. Martin's Press, 1984
HB 171.5 .C262
- Cameron Macroeconomics in Action by Beverly Cameron and Norman Cameron, published by St. Martin's Press, 1984
HB 172.5 .C34
- Cameron Microeconomics in Action by Beverly Cameron and Norman Cameron, published by St. Martin's Press, 1984
HB 172 .C344
- Carson Microeconomics Issues Today by Robert Carson, published by St. Martin's Press, 1980
HB 172 .C35
- Fels and Uhler Casebook of Economic Problems and Policies by Rendings Fels and Robert Uhler, published by West Publishing Co., 1976
HB 171.5 .F412
- Froyen and Greer Principles of Economics by Richard Froyen and Douglas Greer, published by MacMillan Publishers, 1989
HB 171.5 .F77
- McConnell Ideas of Great Economists by John McConnell, published by Harper and Row Publishers, 1980
HB 171.5 .M33
- Reynolds Principles in Economics: Macroeconomics by Lloyd Reynolds, published by Richard Irwin Inc., 1973
HB 171.5 .R48
- Weiler An Introduction to the World Around You by Emanuel Weiler, published by Addison-Wesley Publishing Company, 1976
HB 171.5 .W45 Vol. 3

INSTRUCTOR RESOURCES

The following resources can be obtained through the instructor of the course:

Arnold Economics by Roger Arnold, published by West Publishing Company, 1989

Browning Microeconomics Theory and Applications by Edgar Browning and Jacqueline Browning, published by Little Brown and Co., 1986

Hailstones Basic Economics by Thomas Hailstones, published by South Western Publishing Co., 1986

I have read and understand the rules and requirements for this

Economics class. I agree that I must adhere to these requirements to succeed in this class.

Student's Signature

Date