



# EFFECTIVE: JANUARY 2009 CURRICULUM GUIDELINES

**A.** Division: **Education** Effective Date: January 2009

**B.** Department / **Commerce & Business Admin.** Revision  New Course   
 Program Area: **Business**

If Revision, Section(s) Revised: **H**

Date of Previous Revision: **April 2004**

Date of Current Revision: **August 2008**

**C:** **ECON 1250** **D:** **Principles of Macroeconomics** **E:** **3**

Subject & Course No. Descriptive Title Semester Credits

**F:** Calendar Description:

This course will provide the student with a framework for the analysis of models of income determination. The components of national income will be examined in the context of these models. Theory relating to the role of money and the potential role of government in the maintenance of both internal and external balance will be presented.

<p><b>G:</b> Allocation of Contact Hours to Type of Instruction / Learning Settings</p> <p>Primary Methods of Instructional Delivery and/or Learning Settings:</p> <p><b>Lecture and Seminar</b></p> <p>Number of Contact Hours: (per week / semester for each descriptor)</p> <p><b>Lecture: 3 Hours</b>  <b>Seminar: 1 Hour</b>  <b>Total: 4 Hours per Week</b></p> <p>Number of Weeks per Semester:</p> <p><b>12 Weeks X 4 Hours per Week = 60 Hours</b></p>	<p><b>H:</b> Course Prerequisites:</p> <p><b>BC Principles of Math 11. ECON 1101 recommended.</b></p> <hr/> <p><b>I:</b> Course Corequisites:</p> <p><b>Nil</b></p> <hr/> <p><b>J:</b> Course for which this Course is a Prerequisite</p> <p><b>With ECON 1150:  ECON 2350 and ECON 2408 and ECON 2418 and ECON 2490 and ECON 2491 and ECON 4495 and FINC 3305</b></p> <hr/> <p><b>K:</b> Maximum Class Size:</p> <p><b>35</b></p>
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**L:** PLEASE INDICATE:

<input type="checkbox"/>	Non-Credit
<input type="checkbox"/>	College Credit Non-Transfer
<input checked="" type="checkbox"/>	College Credit Transfer:

SEE BC TRANSFER GUIDE FOR TRANSFER DETAILS ([www.bctransferguide.ca](http://www.bctransferguide.ca))

**M:** Course Objectives / Learning Outcomes

At the end of the course, the successful student should be able to:

1. construct a model for national income determination and analyze the effects of a change in one of the variables, as in multiplier analysis;
2. analyze the effects of inflation and deflation, and develop policy alternatives.
3. apply the economic concepts of supply and demand to explain the determination of foreign exchange and interest rates;
4. analyze the effectiveness of monetary and fiscal policies under fixed and flexible exchange rate regimes;
5. analyze the policy options available to central authorities to maintain both internal and external balance in an open economy.

**N:** Course Content:

1. Introduction to macroeconomics.
2. Measuring macroeconomic variables.
3. Aggregate expenditure model of income determination.
4. Aggregate demand-aggregate supply model of income determination.
5. Business cycles and fluctuations in national income.
6. Fiscal policy.
7. The money supply, the banking system, the Bank of Canada and monetary policy.
8. Trade theory, including comparative advantage, and protectionism.
9. Balance of payments and macroeconomic policy.
10. Foreign exchange rates.

**O:** Methods of Instruction

Lecture and Seminar.

**P:** Textbooks and Materials to be Purchased by Students

The main text is to be chosen from the following, as determined by the instructor:

- Lipsey, R.G., Purvis et al. Economics, Latest Ed. New York: Harper & Row.
- Mankiw, N.G. et al. Principles of Macroeconomics, Latest Ed. Thomson Nelson.
- McConnel, Campbell R., Brue et al. Economics, Latest Ed. Toronto: McGraw-Hill Ryerson Limited
- Parkin, Michael and Robin Bade. Economics: Canada in the Global Environment, Latest Ed. Don Mills: Addison-Wesley Publishers Limited.
- Supplementary material may be chosen from the following, as determined by the instructor:  
Study guides for the above texts and the available software.

**Q:** Means of Assessment

Final Examination	30% - 40%
Term Examination(s)	30% - 70%
Assignments	00% - 30%
Participation and/or Quizzes	<u>00% - 10%</u>
	<u>100%</u>

THERE WILL BE A MINIMUM OF THREE (3) EVALUATIONS.

**R:** Prior Learning Assessment and Recognition: specify whether course is open for PLAR

No.

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Course Designer(s): **Les Marshall**

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Education Council / Curriculum Committee Representative

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Dean / Director: **Robert Buller**

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Registrar: **Trish Angus**

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