

Course Information and Syllabus:

Economics 50, Principles of Economic Analysis, Fall 2019

Tue/Th 1:15-2:30PM, Bauer Forum

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Textbook and Website Reading Material

The textbook for this class is Greg Mankiw's *Essentials of Economics*, 8th edition. We will also occasionally refer to Daniel Hamermesh's *Economics is Everywhere*, 5th edition. Both texts should be available at Huntley Bookstore as well as online. In addition to these two books, the reading material includes a few brief articles from the popular press and other sources which will be posted on Sakai. I will also post assignments, lecture notes, and other materials to this site throughout the semester.

Course Material

This course provides an introduction to economic analysis together with its applications and implications. We will survey both microeconomics and macroeconomics. Microeconomics deals with decision making by individual units, and in this part of the class we will focus on the economic decisions of individuals and firms, the determination of prices and quantities of individual goods, wages, and international trade. The impact of government policies such as taxes, subsidies, regulation, and income redistribution will also be considered. Macroeconomics deals with economic aggregates. The topics covered are long-term economic growth, the labor market, and economic policymaking. Growth theory explores how the main economic aggregates—output, unemployment, inflation, and interest rates—behave on average over long periods of time. Once we understand how the macroeconomy operates, we discuss saving and investment, the financial sector, and the labor market. Throughout, we will look at as many real-world examples as possible.

Class Tutors

The tutors for this class are Jiaying Tang and Anthony Deras. Jiaying will have regular tutoring hours on Sundays from 6-8pm in BC 24, and can be reached by email at jtang21@students.cmc.edu. Anthony will have regular tutoring hours on Mondays from 8-10pm in BC 22, and can be reached by email at aderas20@students.cmc.edu.

MobLab

We will use MobLab occasionally this semester to answer questions as a class and, time permitting, to play 1-2 games that help to illustrate some of the concepts being learned. Please go to www.moblab.com on a computer or download the free MobLab app on a mobile device (the website does not work on mobile devices, however). You can then create a free student account and join the class using the class code xwg2raxu3.

Assignments, Exams, and Grading

There will be four problem sets in this class and the due dates for these problem sets are noted on the course schedule below. I'll post the problem sets to Sakai approximately two weeks before they are due. It is okay to discuss and collaborate on these, but each person must hand in his or her own copy of the completed assignments. **Problem sets are due in class, and 25% will be deducted for each day late that they are handed in.** There will be two midterm exams and one comprehensive final exam in this class. All exams will be closed-book and closed-notes. **There are no make-up exams.** There will also be three in-class quizzes, each lasting roughly 30 minutes. Finally, there will be a series of brief reading assignments whose completion will count as a major part of the class participation grade.

If you must miss a quiz/midterm or cannot hand in a homework on time for medical reasons, **it is your responsibility to tell me in advance.** I will need a note from a doctor or health services if this occurs. The final grade for this class will be based on the assignments and exams using the following weighting scheme:

10% Participation/Reading Assignments

15% Problem Sets

15% Quizzes

15% Midterm 1

15% Midterm 2

30% Final exam

Disability

If you have any problems with the terms of this syllabus due to a disability you must notify me within the first two weeks of the semester. Note that if you require alternative arrangements for the exams I must be contacted by the Dean of Students, but it is also your responsibility to coordinate with me about the time and place of your exam at least two weeks before that exam.

Preliminary Course Schedule

September 3: Introduction

September 5: Comparative Advantage and Trade

(Mankiw Ch. 1, 3, Hamermesh Ch. 1, *Economics Isn't Dismal. It's Useful*)

September 10: Demand and Consumer Surplus

(Mankiw Ch. 4, 7, Hamermesh Ch. 2)

September 12: Supply and Producer Surplus

(Mankiw Ch. 4, 7, Hamermesh Ch. 3)

September 17: Supply and Demand Together

(Mankiw Ch. 4)

September 19: Elasticity

(Mankiw Ch. 5, Hamermesh Ch. 5)

September 24: Applications of Elasticity

(Mankiw Ch. 5)

September 26: Supply, Demand, and the Government

(Mankiw Ch. 6, Hamermesh Ch. 4)

October 1: Efficient Markets, **Quiz 1**

(Mankiw Ch. 7)

October 3: Market Efficiency and the Effect of Taxes

(Mankiw Ch. 8)

October 8: Externalities, **Problem Set 1 due in class**

(Mankiw Ch. 10, Hamermesh Ch. 18—only the part on externalities)

October 10: Public Goods and Public Policy

(Mankiw Ch. 11, Hamermesh Ch. 18—only the part on public goods)

October 15: Review

October 17: **Midterm 1**

October 22: No Class, Fall Break

October 24: Firms and the Cost of Production
(Mankiw Ch. 12, Hamermesh Ch. 7)

October 29: Firms, Production Costs, and Competitive Markets
(Mankiw Ch. 12, Hamermesh Ch. 8-9)

October 31: The Behavior of Firms in Competitive Markets
(Mankiw Ch. 13, Hamermesh Ch. 10)

November 5: Monopoly and Firm Behavior, **Problem Set 2 due in class**
(Mankiw Ch. 14, Hamermesh Ch. 12)

November 7: More Monopoly, **Quiz 2**
(Mankiw Ch. 14, Hamermesh Ch. 13)

November 12: Introduction to Macro: Measuring the Economy
(Mankiw Ch. 15, *The Trouble with GDP*)

November 14: Measuring the Cost of Living
(Mankiw Ch. 16)

November 19: Review, **Problem Set 3 due in class**

November 21: **Midterm 2**

November 26: Economic Growth and Productivity
(Mankiw Ch. 17)

November 28: No Class, Thanksgiving

December 3: Long-Run Economic Growth
(*The Path to Economic Development is Growing more Treacherous, Pennies from Heaven*)

December 5: Saving and Investment, Unemployment and Wages
(Mankiw Ch. 18, 20)

December 10: Unemployment and Public Policy, **Quiz 3**
(Mankiw Ch. 20, *Will Robots Displace Humans?*)

December 12: Review, **Problem Set 4 due in class**

Final Exam: Friday, December 20, 2-5pm Bauer Forum

This schedule is preliminary and is subject to change during the semester as needed.