

Course Information and Syllabus:

Economics 50, Principles of Economic Analysis, Fall 2016

Tue/Th 11:00AM-12:15PM, Roberts North 15

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Textbook and Website Reading Material

The textbook for this class is Greg Mankiw's *Essentials of Economic Analysis*, 7th edition. We'll also occasionally refer to Daniel Hamermesh's *Economics is Everywhere*, 5th edition. Both texts should be available at Huntley Bookstore as well as online at sites like amazon.com. 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 Tutor

The tutor for this class is Tierra Patmavanu, and she will have regular tutoring hours on Sundays from 6-8pm in BC 24. Tierra can be reached by email at tpatmavanu18@cmc.edu.

Assignments, Exams, and Grading

There will be four assignments in this class and the due dates for these assignments are noted on the course schedule below. I'll post the assignments 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 the bulk 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

15% Assignments

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 1: Introduction

(Mankiw Ch. 1, Hamermesh Ch. 1)

September 6: Comparative Advantage and Trade

(Mankiw Ch. 3, Hamermesh Ch. 20)

September 8: Supply, Demand, and Surplus

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

September 13: Supply and Demand Together

(Mankiw Ch. 4, Hamermesh Ch. 3)

September 15: Elasticity

(Mankiw Ch. 5, Hamermesh Ch. 5)

September 20: Applications of Elasticity

(Mankiw Ch. 5)

September 22: Supply, Demand, and the Government

(Mankiw Ch. 6, Hamermesh Ch. 4)

September 27: Efficient Markets, **Quiz 1**

(Mankiw Ch. 7)

September 29: Market Efficiency and the Effect of Taxes

(Mankiw Ch. 8)

October 4: Externalities, **Assignment 1 due in class**

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

October 6: Public and Private Solutions to Externalities

(Mankiw Ch. 10)

October 11: Review

October 13: **Midterm 1**

October 18: No Class, Fall Break

October 20: Firms and the Cost of Production

(Mankiw Ch. 12, Hamermesh Ch. 7)

October 25: Firms, Production Costs, and Competitive Markets

(Mankiw Ch. 12, Hamermesh Ch. 8-9)

October 27: The Behavior of Firms in Competitive Markets
(Mankiw Ch. 13, Hamermesh Ch. 10)

November 1: Monopoly and Firm Behavior, **Assignment 2 due in class**
(Mankiw Ch. 14, Hamermesh Ch. 12)

November 3: More Monopoly, **Quiz 2**
(Mankiw Ch. 14, Hamermesh Ch. 13)

November 8: Introduction to Macro: Measuring the Economy
(Mankiw Ch. 15, *How to Measure Prosperity, Measuring What Matters*)

November 10: Measuring the Cost of Living
(Mankiw Ch. 16)

November 15: Review, **Assignment 3 due in class**

November 17: **Midterm 2**

November 22: Economic Growth and Productivity
(Mankiw Ch. 17)

November 24: No Class, Thanksgiving

November 29: Long-Run Economic Growth
(Mankiw Ch. 17, *A Phoneful of Dollars*)

December 1: Saving and Investment, Unemployment and Wages
(Mankiw Ch. 18, 20)

December 6: Unemployment and Public Policy, **Quiz 3**
(Mankiw Ch. 20, *Robocolleague*)

December 8: Review, **Assignment 4 due in class**

Common Final Exam: Tuesday, December 13, 9am-12pm, Roberts North 15

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