

# Course Information and Syllabus:

**Economics 50, Principles of Economic Analysis, Spring 2018**

**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 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. 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 Matt Dayton and Tiana Steverson Pugh. Matt will have regular tutoring hours on Sundays from 8-10pm in BC 25, and can be reached by email at mdayton19@students.cmc.edu. Tiana will have regular tutoring hours on Mondays from 8-10pm in BC 23, and can be reached by email at tpugh19@students.cmc.edu.

## 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 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/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

January 16: Introduction

January 18: Comparative Advantage and Trade  
(Mankiw Ch. 1, 3, Hamermesh Ch. 1, 20)

January 23: Demand and Consumer Surplus  
(Mankiw Ch. 4, 7, Hamermesh Ch. 2)

January 25: Supply and Producer Surplus  
(Mankiw Ch. 4, 7, Hamermesh Ch. 3)

January 30: Supply and Demand Together  
(Mankiw Ch. 4)

February 1: Elasticity  
(Mankiw Ch. 5, Hamermesh Ch. 5)

February 6: Applications of Elasticity  
(Mankiw Ch. 5)

February 8: Supply, Demand, and the Government  
(Mankiw Ch. 6, Hamermesh Ch. 4)

February 13: Efficient Markets, **Quiz 1**  
(Mankiw Ch. 7)

February 15: Market Efficiency and the Effect of Taxes  
(Mankiw Ch. 8)

February 20: Externalities, **Problem Set 1 due in class**  
(Mankiw Ch. 10, Hamermesh Ch. 18—only the part on externalities)

February 22: Public and Private Solutions to Externalities  
(Mankiw Ch. 10)

February 27: Review

March 1: **Midterm 1**

March 6: Firms and the Cost of Production  
(Mankiw Ch. 12, Hamermesh Ch. 7)

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

March 13: No Class, Spring Break

March 15: No Class, Spring Break

March 20: No Class

March 22: The Behavior of Firms in Competitive Markets  
(Mankiw Ch. 13, Hamermesh Ch. 10)

March 27: Monopoly and Firm Behavior, **Problem Set 2 due in class**  
(Mankiw Ch. 14, Hamermesh Ch. 12)

March 29: More Monopoly, **Quiz 2**  
(Mankiw Ch. 14, Hamermesh Ch. 13)

April 3: Introduction to Macro: Measuring the Economy  
(Mankiw Ch. 15, *The Trouble with GDP*)

April 5: Measuring the Cost of Living  
(Mankiw Ch. 16)

April 10: Review, **Problem Set 3 due in class**

April 12: **Midterm 2**

April 17: Economic Growth and Productivity  
(Mankiw Ch. 17)

April 19: Long-Run Economic Growth  
(*Why Africa's Development Model Puzzles Economists, Pennies from Heaven*)

April 24: Saving and Investment, Unemployment and Wages  
(Mankiw Ch. 18, 20)

April 26: Unemployment and Public Policy, **Quiz 3**  
(Mankiw Ch. 20, *Will Robots Displace Humans?*)

May 1: Review, **Problem Set 4 due in class**

**Final Exam: Tuesday, May 8, 2-5pm Bauer Forum**

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