

ECO 101-03: PRINCIPLES OF ECONOMICS

Fall 2014 – Prof. Daniel Diaz Vidal

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Class meetings: TTh: 2:40pm – 3:55pm

Classroom: Hays Science, Room 002

Office hours: Wednesdays from 3pm to 5pm, or by appointment.

Study Office Hours: To be determined in class.

My office is a place for me and you to work. I will let you know when I will be in my office and you are welcome to come in and share the space. I would also like students to come in and answer each other's questions. You don't really know how well you know a topic until you try to explain it. Inside and outside my office: I recommend you study in groups.

Please always bring your textbook and a calculator to class.

Course Goals and Content

The objective of this course is to expose students to the language common to economics and to introduce the core fields of Micro and Macro Economics. The first part of the course will be dedicated to the study of microeconomics. You will gain the ability to analyse various microeconomic problems which are common in our economy and society, along with being able to think through everyday microeconomic problems. Models and theories studied will help you to understand how producers could best allocate scarce resources to produce goods and services. Likewise, you will gain insight into what drives consumers to give up resources to obtain goods and services produced by others. Upon completion of this first part of the course, you should be able to apply the tools learnt not only to business situations, but also to problems and situations in your everyday life.

The second part of the course will be dedicated to the study of macroeconomics--the study of the economy as a whole. We will study the benefits from trade and specialization, how the macroeconomy functions and the role of government in policy making. Throughout the class, we will also discuss some core macroeconomic issues – growth, business cycles, unemployment, inflation, interest rates and the role of money – within any economic system. Learning macroeconomics is valuable not only because macroeconomics is practically useful but also because the learning process helps you develop critical thinking ability. The concepts and tools that you will learn in this class will help you develop an objective opinion regarding important social issues and public policy matters.

At the end of the second part of this course, you should have a general understanding of macroeconomics and how to apply economic thinking to everyday decisions. You should be able to use models developed to: (i) understand how key macroeconomic variables are measured, (ii) identify the sources of economic growth and explain differences in standards of living across countries. (iii) examine potential causes of short-run economic fluctuations, and (iv) analyze how policy affects the economy as a whole.

Course Materials

We will be using the following:

1. Mankiw, *Essentials of Economics* 6th ed., South-Western Cengage Learning, 2012.
2. Students are allowed to use other editions of the required text as its main contents do not vary much across editions. However, students should be aware of the inconvenience caused by different side materials provided in the book which might be discussed in the class and different page numberings. Rentals are available online.
3. Any other practice or homework files will be made available on canvas.
4. We will be following Paul Krugman's blog. <http://krugman.blogs.nytimes.com/> Other blogs will be mentioned and read in class.
5. Other Readings/media pieces will be assigned throughout the class. You will be asked to listen to specific episodes of NPR radio's show: "planet money". In addition to readings from the textbook, I will also advise students to have a look at topical readings from publications such as The New York Times, The Economist or The Wall Street Journal. The course material becomes more interesting if you read articles in the press and try to apply what you have learned to real-world events.

Exam Information

They will consist of multiple choice, short answer, graphical and long answer questions. The final will be comprehensive, but the second midterm will not. Please bring something to write with and a calculator. No other materials are allowed (no books or notebooks). I will not give make-up examinations. All excuses should be discussed in advance. If you have a legitimate excuse to miss the test the weight for that test will be uniformly distributed over the remaining grading items.

Homeworks:

12 homeworks will be assigned and they will be due a week after they are announced in class. The lowest two grades will be dropped and no excuses will be accepted for late/no submission.

Course Grades

Your grade will be determined as follows:

1 st midterm exam	25%	October 9
2 nd midterm exam	25%	November 20
Comprehensive final exam	30%	????
Homework	20%	Due at the beginning of the following class

Grading scale

91 to 96% = A	81 to 86%=B	71 to 76%=C	60 to 66%=D
89 to 90% = A-	79 to 80%=B-	69 to 70%=C-	0 to 59% = F
87 to 88%=B+	77 to 78%=C+	67 to 68%=D+	

The instructor may (at his discretion) add an equal number of points to every student's individual final points (but do not count on it). The instructor may (at his discretion) increase the final grade of any student with excellent in-class participation by a letter grade (**but cannot be done based on a student's request!**) In general, incompletes cannot be granted. The instructor may, at his discretion, decide to grant an incomplete due to very serious circumstances (a health problem or similar).

Collaboration and Working Together:

Although you may work with other students on in-class workshop assignments and homeworks, you are expected to produce your own work to turn in. Any incident of copying another's work, however small, will result in an F in the class and a report to the Dean of Students.

Copying another student's work will be treated the same way as cheating on an exam or plagiarizing another's work. Everyone involved (copiers and those who allow others to copy) will be reported to the Dean of the Students.

Any recording without explicit permission in class or in my office will be understood as academic dishonesty. Please refer to the Academic Honesty Guide for further information on this: <http://www.wabash.edu/news/docs/AcademicHonestyGuide.pdf> (particularly recommended for freshmen).

Getting Help:

While your professor is your primary resource for assistance with course work, Wabash College provides academic support to all students in a variety of ways, which includes peer tutoring. Academic Support Services include:

Academic Support Services:

Julia Rosenberg, Director (rosenbej@wabash.edu) Armory 101B ext.6024

Support for students:

Peer Tutoring in Quantitative Skills and Writing

Quantitative Skills Centers, Writing Center.

All tutors are faculty-recommended and receive training in the art of tutoring.

These services are not confidential

Economics tutors will be available: TBA (Carter Adams and Houston Hodges).

Quantitative Skills Centers locations and hours:

Biology: Sunday-Thursday 7-11 p.m. Hays Hall 310

Chemistry: Sunday-Thursday 7-11 p.m. Hays Hall 3rd floor alcove

Economics: 2 evenings a week (varies by semester), Goodrich 101

Mathematics: Sunday-Thursday 7-11 p.m. Goodrich Hall 101

Physics: Sunday-Thursday 8-10 p.m. Goodrich Hall 101

- Helps students meet the quantitative proficiency requirement
- Drop-in, or by appointment
- Individual and group sessions with no time limit
- Tutoring in buildings ideally suited for each discipline
- Division 1 faculty work with tutors and provide relevant course materials

Writing Center location and hours: First floor, Armory ext.6258

M 12-4; T 11 -4; 8-10 p.m. W 12-4,8-10 pm; Th.11-4; F 1-4; S 8-10 p.m.

- Primarily used by freshmen; especially useful for English 101 students
- All students, even strong writers, also find they benefit from the sessions
- Peers collaboratively assist students to negotiate the world of academic discourse
- Helpful at all stages of the writing process, not only editing
- Drop-in or by appointment; sessions scheduled as one-hour conferences

- Students (some non-native speakers, for example) may schedule regular weekly appointments to work on strengthening their writing skills
- Tutors, juniors and seniors, represent various disciplines
- Tutors receive training in composition theory and pedagogy
- Faculty may require attendance or offer incentives
- Center Director (a composition specialist) available for individual writing conferences with students when appropriate

Support for strengthening/acquiring Study Skills:

Assistance in strengthening various skills such as textbook reading, test-taking and time management is available in several ways:

- Individual work with the director (peer tutors do not take this role); individual hour-long sessions, one-time or repeating
- Small group work led by the director
- A freshman-only time management workshop
- Classroom sessions

Support for Students with Disabilities:

For the student with a disclosed disability

- Assistance in arranging accommodations as appropriate and supported by documentation
- Individual conferences with the director as needed, one-time or weekly

Classroom Protocol:

In order for all of us to enjoy an optimal educational environment I will request that we all observe certain basic ground rules.

- 1 Please do not start talking or gathering up your materials before the lecture is completely over.
- 2 If you are attending the lecture, plan on being there for the entire duration of the class. If you absolutely must leave early for a good reason, on any given day, please send me a prior email, sit near the door and leave quietly.
- 3 The use of computers and/or any other electronic equipment must be authorized by the instructor.
- 4 Food or drink within reason is OK so long as you are not obviously distracting others.
- 5 Very Important: You are very welcome to interrupt with any questions related to the material being covered.

Extra Credit (Two Assignments Worth a maximum of 5 points each):

TERMINOLOGY:

A very important part of the learning process in this class will be to be able to master the terminology we will be using on a daily basis. By the end of the course, you should be well on your way to being able to express yourself as an economist both verbally and in writing. You may add up to 5% points to your final grade in the class if you produce a word document with definitions for two hundred, or more, economic terms used in class. Do not copy and paste these definitions from any online source. You must write them using your own words. At the end of the term, I will set a day for you to come into my office and hand me the list. I will choose 5 terms from your list and you will have to provide a verbal definition that is close to the definition an economist would use in order to get full extra credit. Copying from a classmate will be considered academic

dishonesty and both students will be reported to the Dean. Do not share your list with other students at Wabash College.

CHALLENGE QUESTIONS:

As we discuss topics in class, some of you will ask me questions that I find particularly interesting. Other times I will not have time to cover a particular concept or to introduce a variation to a type of problem we are solving. Any of these situations will lead me to formulate a challenge question for the week. You may add up to 5% points to your final grade in the class if you produce a set of answers to these questions using word and/or excel and present them to me with adequate references. The date to present these will be the same as for the previously mentioned extra credit assignment. The student will be asked to explain his answer to the challenge question to me verbally and with the help of my white board. Copying from a classmate will be considered academic dishonesty and both students will be reported to the Dean. Collaborations are welcome as long as those are reported to me and are only focused on practicing the verbal communication of economic reasoning with a classmate. Do not share your answer list with other students at Wabash College.

Tentative schedule:

28-Aug	TH	Introduction to Economics
2-Sep	T	Practice
4-Sep	TH	Supply And Demand
9-Sep	T	Practice
11-Sep	TH	Elasticity
16-Sep	T	Practice
18-Sep	TH	Government Intervention
23-Sep	T	Practice
25-Sep	TH	Profit Maximization/Comp. Markets
30-Sep	T	Practice
2-Oct	TH	Monopoly
7-Oct	T	Practice
9-Oct	TH	Exam1
14-Oct	T	Externalities
16-Oct	TH	Midsemester break
21-Oct	T	Practice
23-Oct	TH	Macroeconomic Data
28-Oct	T	Practice
30-Oct	TH	Production and Growth
4-Nov	T	Practice
6-Nov	TH	Unemployment
11-Nov	T	Practice
13-Nov	TH	Money and Inflation
18-Nov	T	Practice
20-Nov	TH	Exam 2
25-Nov	T	Thanksgiving Break
27-Nov	TH	Thanksgiving Break
2-Dec	T	Monetary and Fiscal Policy
4-Dec	TH	Practice
9-Dec	T	Economic policy- AD/AS Model
11-Dec	TH	Practice
17-Dec	WED	FINAL EXAM AT 1:30PM