

Survey of Economics
ECO 1305 Fall 2011

Instructor and Office Hours

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Cashion 301
Tuesdays and Thursdays 10:45 to 11:40, or by appointment

Text (Required)

Essentials of Economics by N. Gregory Mankiw. 6th edition.

Course Content and Objectives

This course is an introduction to economics. Our primary goals in this course are to:

1. Increase understanding of principles applicable to all economies
2. Increase understanding of how the U.S. economy works
3. Develop competence in applying economic principles to questions of public policy

Class Methodology

For most chapters the goal is to discuss the contents during one class and solve problems during the following class. I will give you time in class to solve problems, and then we will discuss them with the entire class. You may be called by name to solve a problem or answer a question. Class participation is worth 10% of your grade (see below for details.)

Homework Problems

Suggested problems will be posted on Blackboard regularly. I strongly encourage you to take these assignments seriously. They are assigned to greatly aid your understanding of the lecture material. It is very important that you complete the questions on your own – don't look for outside help the moment you get stuck. Work with the problem for a while, go over your notes, re-read the text, etc. If you remain stuck, then get help –preferably from one of your classmates or me. Keep in mind that successful learning from these practice problems takes place best when you are “flying solo”. Learning takes practice in your repeated attempts to “debug” your thinking process.

Suggested problems do not have to be turned in, but your test comes straight out of your homework. In addition, you will have a quiz once a week with questions from the suggested problems that correspond to chapters already discussed in class.

You will have readings assigned regularly and writing assignments based on those readings. See the reading list below.

Exams

There will be three exams.

Exam 1 Thursday September 29th

Exam 2 Thursday November 3rd

Exam 3 December 1st

Final (Departmental exam date) the grade obtained here replaces your worse test. It is not obligatory to take the final.

Grading

Each exam will be worth 25% of your total grade. Quizzes and homeworks will be worth 15%, class participation will be worth the remaining 10%. Every student starts with 0 points of class participation, every time you participate and answer correctly you get a point, every time you refuse to participate in class, or you are called by name but are not present, you will lose a point. Note that answering wrong to a question is not punishable, not answering at all is. You need to have accumulated 10 points by the end of the semester.

The scale used for your final grade is the following:

A more than 90 **B+** 85 to 89.99 **B** 80 to 84.99 **C+** 75 to 79.99 **C** 70 to 74.99 **D+** 65 to 69.99 **D** 60 to 64.99 **F** less than 60

NO ROUNDING, NO EXCEPTIONS.

Attendance

Baylor University policy states that students must attend at least 75% of class meetings. Failure to do so can result in a failing grade.

Electronics Policy

The use of cellphones, ipads, laptops, ipods, etc is strictly prohibited. If I see you texting during class, your phone will be confiscated until the next class period. Taking this class implies that you accept the consequences of texting during class: not having a cellphone until the next class period.

Accommodation for students with disabilities

Students with disabilities who request academic accommodations are required to register with the Office of Access and Learning Accommodation (OALA): 254-710-3605.

Course Plan

Topic	
Intro to markets and the US economy	
Supply and Demand	Chapter 4
Elasticity	Chapter 5
Price Controls and Taxes	Chapter 6
Economics of the Public Sector	Chapters 10 and 11
The Costs of Production	Chapter 12
Competitive Markets	Chapter 13
Monopoly	Chapter 14
Growth	
Unemployment	Chapter 20
The Monetary System	Chapter 21
Money Growth and Inflation	Chapter 22
Aggregate Demand and Aggregate Supply	Chapter 23
Monetary and Fiscal Policy	Chapter 24

Reading List (In addition to the chapters mentioned above)

*Starred items are obligatory readings for which you will have an assignment due.

NOTE: If you are a student registered in the honors section you must read all the articles. For those articles for which there is no assignment, you must present an outline of the main conclusions and arguments of the article.

Please e-mail me with any technical vocabulary in the articles that you do not understand.

Supply and Demand

The tyranny of choice: You choose. The Economist. Dec 18th, 2010.

Price increases after disasters: What's wrong with price gouging? Textbook. Pg. 82-83.

Elasticity

Three applications of supply, demand, and elasticity. Textbook. Pg. 101-106.

Price Controls and Taxes

Economics of the Public Sector (Externalities and Public Goods)

*A recent article from a newspaper or magazine that illustrates market failure.

The Costs of Production

Competitive Markets

Schumpeter: The case against globaloney. The Economist. Business. April 23rd, 2011.

Monopoly

Cuba's cigar industry: Smoked out. The Economist. The Americas. April 30th, 2011.

Growth

*Production and Growth. Textbook. Pg. 347-368

Unemployment

Public-sector workers: (Government) workers of the world unite! The Economist. Briefings. January 8th, 2011.

*Agriculture and immigration policy: A hard row to hoe. The Economist. United States. June 18th, 2011.

The Monetary System

The Fed's Exit Strategy. Textbook. Pg. 454-455.

Money Growth and Inflation

Vietnam's economy: Doing battle against inflation. The Economist. Finance and economics. May 7th, 2011.

Aggregate Demand and Supply

*A recent article from a newspaper or magazine that illustrates market failure.

Monetary and Fiscal Policy

*Brazil's president: Dilma's first big test. The Economist. The Americas. June 4th, 2011.