

Syllabus “Principles of Economics” ECON-102, Fall 2009

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Office hours: Wed 1:45-3:15pm, Thu 11:00am-12:30pm or by appointment.

Time: Tue, Thu 9:30-10:50am

Location: King 101

Course Objectives: This course is an introduction to the most important economic principles. Its aim is twofold: to provide the student with a basic understanding of economic concepts in order to apply them to daily life, as well as, to lay a solid foundation for upper level econ courses. It will cover the same material as Econ-101, but using a more formal approach which requires basic knowledge of calculus (derivatives with respect to one variable) and algebra. The course will therefore provide a more authentic flavor of academic economics and an idea of the nature of more advanced courses. It will also give the student an opportunity to apply and hone already acquired mathematical skills.

This course will not primarily focus on the current economic crisis (even though it will touch upon it where adequate). Students with an interest in current events are encouraged to additionally enroll in the two subsequent modules offered by the Department of Economics this fall: ECON-050 “Subprime Mortgage Meltdown: Analysis of Markets & Regulatory Failure” and ECON-060 “The Bubble Years: 1998-2008”. Both courses do not require any prerequisites.

Course requirements and grading schemes: There will be six problem sets, to be handed in the week after they have been assigned. Problem sets will be graded based on the effort exerted to solve every single problem. Your total score on problem sets will be based on the highest five grades received. There will also be two midterms and one accumulative final exam, all of them in class. The material covered in the second midterm will necessarily build upon previous material; in that sense it might also be considered accumulative. The composition of your final grade will look like this:

Problem Sets:	20%
1 st Midterm:	20%
2 nd Midterm:	20%
Final Exam:	40%

Textbook: The only required textbook for the course is:

N. Gregory Mankiw; “*Principles of Economics*”; 5th Edition; Cengage Learning; ISBN: 978-0-324-59133-0

Unfortunately, there does not exist any principles textbook with a more formal treatment of the material. Therefore, I will occasionally post additional readings on blackboard which can be either required or voluntary.

Class notes: Given that the material covered will go beyond the textbook, class assistance and note taking are essential. In order to ease the burden on each of you, every class I will require one of you (or several, depending on final class size) to take detailed notes and to subsequently post them on blackboard.

Honor code: The Oberlin College Honor Code applies to all assignments for this course. You can access complete information on the Honor Code via Blackboard (go to the tab Lookup/Directories>Honor Code). Before turning in each of your exams and your problem sets, you need to write the honor pledge and sign it. The pledge is as follows: "*I affirm that I have adhered to the Honor Code in this assignment.*" The exams are all closed book and closed notes. For the exams signing the honor pledge signifies that you have abided by those restrictions and neither given nor received aid during the exams.

You are encouraged to work on your problem sets in groups of 2-5 persons. However, if you do so each of you is required to clearly state with who you worked on that particular problem set. A failure to do so will be considered a violation of the Honor Code.

Students with Disabilities: If you have specific physical, psychiatric or learning disabilities that require accommodations (such as a note taker or special testing arrangements), please let the instructor know early in the semester so your learning needs can be appropriately met. You will need to provide documentation of your disability to Ms. Jane Boomer, Coordinator for Services for Students with Disabilities. Her office is in Peters G-38A and her phone number is x58464.

Course outline:

Week 1: Introduction: What is Economics?
Chapters 2 & 3

Week 2: Supply and Demand & Elasticity.
Chapters 4 & 5

First problem set

Week 3: Government Policies & Market Efficiency.
Chapters 6 & 7

Week 4: The Deadweight Loss of Taxation & Externalities.
Chapters 8 & 10

Second problem set

Week 5: 1st Midterm & Public Goods
Chapter 11

1st Midterm: Tue September 29 (up to chapter 8).

Week 6: Theory of the Firm: Production & Competitive Markets.
Chapters 13 & 14

Third problem set

Week 7: Market Structure: Monopoly & Oligopoly
Chapters 15 & 17

Fall Recess

Week 8: Monopolistic Competition & Consumer Choice
Chapters 16 & 21

Fourth problem set

Week 9: Frontiers in Micro & Introduction to Macro Measures
Chapters 22 & 23 & 24

Week 10: 2nd Midterm & Productivity and Economic Growth
Chapter 25

2nd Midterm: Tue November 10 (up to chapter 22).

Week 11: Economic Growth Cont. & Unemployment
Chapters 25 & 28

Fifth problem set

Week 12: The Financial & Monetary Systems
Chapters 26 & 29

Week 13: Inflation
Chapter 30

No class Thu 11/26 due to Thanksgiving

Sixth problem set

Week 14: Aggregate Demand and Supply & Monetary and Fiscal Policy
Chapters 33 & 34