

Principles of Economics (Economics 101)

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Summary:

Principles of Economics (Economics 101) is the introductory course in Economics for undergraduates. It is a one-semester course that addresses the important issues of the 21st Century from an economic point of view. This course is the gateway course for the major of Economics; if you wish to major in Economics you must have at least a C in this course. It also meets the General Education requirement for an "Approaches" course in social and behavioral sciences.

Organization:

We will meet two times a week, on Tuesday and Thursday at 11 am in Carroll 111. Attendance will be taken, and excessive absences will result in a reduction in your final grade. You will also have one meeting a week with your recitation instructor. Those sessions are important review activities, and your attendance in recitation may affect your course grade.

Grading:

You will be responsible for two midterm exams and one final exam; the schedule for these examinations will be provided on the "Calendar" page. There will be no make-up examinations given; if you are unable to attend the midterm examinations, the weight of that exam in your final grade will be transferred to your performance on the comprehensive final exam. Each midterm exam will be worth 25 percent of your grade, and the final will be worth 35 percent.

You will also be responsible for weekly online assignments using the Aplia software bundled with the text. Your grades on those assignments will be averaged into an assignment grade that will represent 10 percent of your grade.

The final 5 percent of your grade will be awarded for two written policy memos that you will prepare during the semester.

We will have "ACC Tournament Grading" this semester. Anyone scoring 93 or above on the final exam will automatically receive an A for the course.

Resources:

Web site: Our web site within Sakai provides you a structure and outline for your weekly activities in this course. I will also use that web site to communicate with you. When you are registered for the course, this web site should appear automatically once you log into Sakai. If it does not, please contact the ITS Help Desk by phone, electronically or in the basement of the Undergraduate Library.

Text: We will be using a Cengage custom text entitled "Economics: Principles and Policy, Fall 2013". It is made up of a selection of chapters from the hardcover text "Economics: Principles and Policy (12th edition)" by William Baumol and Alan Blinder. I've chosen this route to save you some money, but you're welcome to purchase the hard cover text. (Be sure that you get the 12th edition.) You can also buy last year's custom text used – it has the same contents as this year's. Be aware: my custom text from two years ago is not compatible.

The readings for each class are enumerated on the class schedule on the web site. It is in your interest to complete the readings prior to the class indicated on the schedule. Completing the readings on time will also be important to success in Aplia (see below).

Aplia: The Aplia system for online course review will be a required part of this course. You have three ways to obtain it, all from the textbook section of the Student Store. First, you can buy it bundled with the custom text at the Student Store. Second, you can buy it bundled with the eBook text. Third, you can buy the Aplia system as a stand-alone product. If you purchase your text anywhere other than the Student Store, you will need to buy Aplia as a stand-alone product at the Student Store.

Newspapers and journals: One of your graded responsibilities in this course will be to write policy memos based upon newspaper and magazine articles on economics topics. The articles will be chosen from economics-themed articles in the New York Times, the Wall Street Journal, the Economist magazine or the News and Observer. I will give you the opportunity to purchase a low-cost subscription to either the New York Times or the Wall Street Journal. This is not required, but is certainly convenient. You can also find current issues of these publications in the UNC Library each day. When assignments are due, I will provide you with the reading at no cost: you will not need a subscription to complete the assignment.

The UNC Honor Code:

Our behavior (yours, the TAs, and mine) in this class is governed by the UNC Honor Code. If you do not yet understand your responsibilities under this code, I urge you to go to <http://honor.unc.edu> to learn more. I take the Honor Code very seriously.

Economics 101 : **Principles of Economics**

Fall 2013

Professor Patrick Conway

| Class | Date | Topic | Reading from text |
|--------------|-----------------|---|--------------------------|
| 1 | Aug 20 | Course Introduction | Chapters 1&2 |
| 2 | Aug 22 | Scarcity, opportunity cost, marginal analysis | Chapter 3 |
| 3 | Aug 27 | Comparative Advantage and PPF | |
| 4 | Aug 29 | Introduction to Demand and Supply analysis | Chapter 4 |
| 5 | Sept 3 | Market Equilibrium | |
| 6 | Sept 5 | Rational expenditure rules; opportunity cost | Chapter 5 |
| 7 | Sept 10 | Production, input and cost | Chapter 7 |
| 8 | Sept 12 | Efficiency and marginal-cost pricing | Chapter 8 |
| 9 | Sept 17 | Comparative advantage and international trade | Chapter 35 |
| 10 | Sept 19 | The stock market and business finance | Chapter 9 |
| 11 | Sept 24 | Midterm Exam (classes 1-9) | |
| 12 | Sept 26 | Accounting profit and economic profit | Chapter 10 |
| 13 | Oct 1 | Monopoly firms | Chapter 11 |
| 14 | Oct 3 | Firms with market power | Chapter 12 |
| 15 | Oct 8 | Regulating firms | Chapter 13 |
| 16 | Oct 10 | Externalities and property rights | Chapter 17 |
| 17 | Oct 15 | When do markets work? | Chapters 14 & 15 |
| 18 | Oct 22 | Macroeconomics | Chapter 22 |
| 19 | Oct 24 | Prices and Inflation | Chapter 23 |
| 20 | Oct 29 | Wages, Unemployment and the Labor Market | Chapters 19 & 20 |
| 21 | Oct 31 | Midterm exam (classes 10 and 12-19) | |
| 22 | Nov 5 | Determining output in the short run | Chapters 25 & 26 |
| 23 | Nov 7 | Determining output in the short run (II) | |
| 24 | Nov 12 | Aggregate demand and aggregate supply | Chapter 27 |
| 25 | Nov 14 | Government expenditures/stimulus | Chapter 28 |
| 26 | Nov 19 | Money and the banking system | Chapter 29 |
| 27 | Nov 21 | Monetary policy and the financial crisis | Chapters 30 & 31 |
| 28 | Nov 26 | International finance | Chapter 36 |
| 29 | Dec 3 | The exchange rate and the macroeconomy | Chapter 37 |
| Final | Dec 12, Noon | Cumulative Final Examination | |