

UNIVERSITY OF NORTH CAROLINA  
DEPARTMENT OF ECONOMICS

**ECON 101-001: INTRODUCTION TO ECONOMICS**

Summer I 2015

M - F 8:00AM - 9:30AM

Murphey 105

**Instructor:** David A. Díaz

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**Office:** 202 Phillips Annex

**Office Hours:** Monday and Thursday from 10:00 to 11:00am, and by appointment.

**Course Website:** <http://sakai.unc.edu>

The Sakai web site provides a detailed outline of what you are expected to do before/after each lecture. It also contains the official course gradebook, announcements, and other supplementary materials.

**Course Objectives:** The purpose of this course is to introduce you to a new way of looking at the world. The course focuses on core economic concepts and introduces you to some basic models that economists use to make sense of what they observe around them. We will also explore how economists analyze the impact of different policies within the context of these models and determine whether the policy will have the intended - or an unintended - outcome. Throughout the course, I hope to increase your interest in economics and the role it can play in your everyday decision making.

**Recommended Text:** N. Gregory Mankiw, Principles of Economics, 7<sup>th</sup> Edition.

**Exam Dates:**

May 22	Exam 1, 8:00AM - 9:30AM
June 10	Exam 2, 8:00AM - 9:30AM
June 18	Final Exam, 8:00AM - 11:00AM

**Exam Format:** Each exam will cover material presented in class, readings scheduled outside of class, homework assignments, and suggested problems from the textbook. The particular exam format will be provided a few days prior to a given exam. You should bring a pencil and a **basic** calculator with you to each exam (an example of what constitutes a basic calculator is provided on Sakai - if in doubt about yours, ask!). Students that arrive more than 15 minutes late for an exam will not be permitted to take the exam.

**Homework:** There will be eight homework assignments, each due by 11:00AM on the assigned date. Homework must be turned into me directly - not slid under my door, placed in my mailbox, etc., unless prior approval has been granted. **No late homework will be accepted.** The homework assignments are intended to be good study guides for the exams and will contain a mix of multiple choice and free response questions. Additionally, Homework #3 and #5 will ask you to read an article pertinent to an economic idea we have discussed and answer 2-3 questions in the form of a short essay. I recommend you look at all assignments ahead of time and plan accordingly. You are free to work with your peers on the homework, but you each must turn in an individual assignment reflecting your own work.

**Attendance & Participation:** Regular attendance and participation is strongly recommended. You are responsible for any announcements that you may have missed if you choose not to attend class or if you cannot attend class. You should get the missed notes/announcements from one of your peers. It is expected that you will respect your peers and the instructor with appropriate behavior while in class and that you will arrive to class on time. You should refrain from reading the paper, browsing the web, texting, playing games, etc. during class time. Cellphones and laptops are not needed during class, so please put them away while in lecture. Students who are not willing to attend regularly should drop the course.

**Grading:**

- Homework: 20%
  - Homework #3 & #5: 4% each
  - Other homework: 2% each (6 assignments)
- Exam 1: 22.5%
- Exam 2: 22.5%
- Final Exam: 35%

The grading scale is as follows:

A = 93 - 100	C+ = 77 - 79.99
A- = 90 - 92.99	C = 70 - 76.99
B+ = 87 - 89.99	D+ = 67 - 69.99
B = 83 - 86.99	D = 60 - 66.99
B- = 80 - 82.99	F < 60

**Missed Exams:** There are no make-up midterm examinations. You are forewarned well in advance to properly schedule your time and make proper arrangements for other potential conflicts. If you must miss a midterm exam, you may be permitted to transfer the missed credit to the final examination. To qualify for a transfer of credit, you must contact me before the start of the missed midterm examination and provide me with an acceptable explanation. If the reason for your absence could not be foreseen, please make the request as soon as possible thereafter. All such requests should be in writing and you may be asked to provide support with suitable documentation. If the explanation and documentation are approved, the weight of the midterm will be placed on the final exam. University policy applies regarding attendance for the final exam - you need the permission from the Dean's office to make up a final exam.

**Academic Integrity:** All students are expected to adhere to the Honor Code (<http://instrument.unc.edu>).

- You may use your notes, textbooks, and classmates to complete homework assignments.
- No assistance is permitted on exams. During the exam, however, feel free to ask your instructor for clarification. The use of cell phones, computers, or any other unauthorized device (e.g., an unapproved calculator) during examinations is an explicit violation of the honor code.

Date	Topic	Readings	Notes
5/13	Introduction to Economics	Ch. 1, Ch. 2	
5/14	Comparative Advantage and Trade	Ch. 3	
5/15	Supply and Demand; Efficiency of Markets	Ch. 4; Ch. 7	Homework 1 Due
5/18	Elasticity	Ch. 5	
5/19	Price Controls, Gov. Policy, and Welfare	Ch. 6, Ch. 8	Homework 2 Due
5/20	Externalities and Public Goods	Ch. 10, Ch. 11	
5/21	Costs of Production	Ch. 13	
5/22	Perfect Competition	Ch. 14	Homework 3 Due
5/25	No Class		
5/26	Exam Review		
5/27	<b>EXAM 1</b>		
5/28	Monopoly	Ch. 15	
5/29	Monopolistic Competition and Oligopoly	Ch. 16, Ch. 17	Homework 4 Due
6/1	Introduction to Macroeconomics	Ch. 23	
6/2	The Cost of Living	Ch. 24	Homework 5 Due
6/3	Economic Growth and the Solow Model	Ch. 25; Solow Model videos 1 & 2	Watch <a href="#">The Solow Model 1</a> & <a href="#">The Solow Model 2</a> videos by Mercatus Center on YouTube
6/4	Savings, Investment, and the Financial System	Ch. 26	
6/5	Unemployment	Ch. 28	Homework 6 Due
6/8	Monetary System	Ch. 29	
6/9	Exam Review		Homework 7 Due
6/10	<b>EXAM 2</b>		
6/11	Money Growth and Inflation	Ch. 30	
6/12	Aggregate Demand and Aggregate Supply	Ch. 33	
6/15	Monetary and Fiscal Policy	Ch. 34	Homework 8 Due
6/18	<b>FINAL EXAM</b> 8:00AM - 11:00AM		

**Disclaimer:** Although the instructor intends to follow the syllabus as closely as possible, some deviations from the material presented herein may be necessary. Any changes will be announced as early as possible so students can adjust their schedule.