

**ECON 200**  
**Basic Economic Issues**  
Pre-session, 2007  
Section 032

**Instructor:** Hironori Otsubo, McClelland Hall 401, Carrel #4  
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**Meetings:** Monday – Friday, 1pm – 3:50pm, McClelland Hall 125

**Office Hours:** Tuesday – Friday, 4pm – 5pm, McClelland Hall 401

**Textbook:** *Essentials of Economics*, 4<sup>th</sup> ed., N. Gregory Mankiw. Thomson, 2006

**Prerequisites:** Two courses from Tier One, Individuals and Societies (INDV 101, 102, 103, 104). Not available to students who have completed or are enrolled in ECON 201A, ECON 201B, or ECON 210.

**Course Description:** This course is a survey of the field of Economics. The goal is to provide you with the basic concepts and methods used in Economics. Economics is the study of choice and decision-making in a world with scarce resources. This course includes many interesting issues from environmental protection to governmental policy to unemployment.

**Attendance:** Regular course attendance is essential for learning the material in this course. Even though class attendance is not factored into your final grade, there will be material presented in class that is not in the textbook. You will be responsible for all material presented in class for the exam.

**Grading:** Your course grade will be based upon the grades you receive on two midterm exams, one final exam, and one paper:

Midterm I	25%
Midterm II	25%
Paper	25%
Final	25%

**Examination Policy:** You are expected to be present for each exam; there will be no make-up examinations. There will be two midterm exams and one final. The final exam is a non-comprehensive examination. Relative weights of the exams are presented above.

If you should miss an exam and have a valid excuse (sickness, etc.), the exam portion of your grade will be computed by averaging the other exam and the final exam. You can only miss one exam. For example, if you miss the second exam, the first and final exam will count for 75% of your grade. Anytime you miss an exam, you must contact the instructor before or immediately after the time the exam is given. If you do not contact

the instructor within 2 days of the date of the missed exam *or* you do not have a valid excuse for missing an exam, your grade on the exam is a zero. Excuses must include a type-written statement explaining the reason for the absence and include all relevant documentation.

If you wish to appeal your grade on an exam, please visit me during my office hours within 2 days of receiving the exam back. The entire exam will be re-graded and your points may go up or down as a result.

**Written Paper:** All students are required to submit a first draft of the paper. The written paper cannot be missed. After receiving the first draft of the paper back, if the student is not satisfied with his or her score, they can revise and resubmit it for additional points. However, the most that any student can improve their grade is 10 points. For example, if a student received an 80 on the first draft of the paper, the most points they could possibly get by resubmitting a revised paper is 90. For more details on the paper, please see Paper Requirements. If a student does not submit a first draft of the paper, when it is due, the student will receive a grade of E for the class.

**Practice Problems:** Practice problems will be provided throughout the course. Due to the intensive nature and the short duration of the course, these problems will not be graded. They are meant as a tool to aide in the student's understanding of the material and to demonstrate the types of questions to be asked on the exams. Solutions to these problems will be provided by the instructor periodically.

**Special Accommodations:** Students with disabilities who wish to request special accommodations are encouraged to contact me during my office hours or by appointment early on in the course.

**Academic Dishonesty:** The instructor and the university place a high regard on academic honesty. Any attempts to cheat or otherwise involve oneself in dishonest activities will be taken seriously. Any academically dishonest student will automatically receive a grade of E for the course *and* will be reported to the university's Office of Academic Integrity. The instructor will seek full repercussions, in line with university policy, against the violating student. Please, do not cheat. See the following website for detailed information about the University of Arizona's Code of Academic Integrity:

<http://dos.web.arizona.edu/uapolicies/cai1.html>

## Course Outline

1. Introduction
  - a. Ch.1: Ten principles of economics
  - b. Ch.2: Thinking like economist
  - c. Ch.3: Interdependence and the gains from trade
  
2. Supply and Demand I: How markets work
  - a. Ch.4: The market forces of supply and demand
  - b. Ch.5: Elasticity and its application
  - c. Ch.6: Supply, demand, and government policies

### **Midterm I: Monday, May 21<sup>st</sup>**

3. Supply and demand II: Markets and welfare
  - a. Ch.7: Consumers, production and the efficiency of markets
  - b. Ch.8: The costs of taxation
  
4. The Economics of the Public Sector
  - a. Ch.10: Externalities
  - b. Ch.11: Public Goods and Common Resources
  
5. Firm Behavior and Organization
  - a. Ch.12: The costs of production
  - b. Ch.13: Firms in Competitive Markets

### **Midterm II: Tuesday, May 29<sup>th</sup>**

**1<sup>st</sup> draft of paper due: Tuesday, May 29<sup>th</sup> (tentative)**

6. The Data of Macroeconomics
  - a. Ch.15: Measuring a nation's income
  - b. Ch.16: Measuring the cost of living
  
7. The Real Economy in the Long-Run
  - a. Ch.17: Production and growth
  - b. Ch.20: Unemployment and its natural rate
  
8. Money and Prices in the Long-Run
  - a. Ch.22: Money growth and inflation

**Paper revision due (optional): Saturday, June 2<sup>nd</sup>**

**Final Exam: Saturday, June 2<sup>nd</sup>**

## Paper Requirements

1. The total length of your paper must be 4 typewritten pages, 12 point, 1.25" margin, and a standard font. This page requirement is important. Since the objective of this paper is to assist students in improving their writing skills, papers will not be accepted that are less than 4 pages.
2. For your topic, scan the daily newspapers or the internet for an article related to a subject we've covered in class. Good places to look would be:
  - a. Newspapers like the Wall Street Journal or the Financial Times, also the business pages of daily paper like the Arizona Daily Star, USA Today, or the New York Times
  - b. Magazines like the Economist, Forbes, Business 2.0, and so on.
  - c. The internet, such as cnfn.com, the business and finance section at Yahoo! News, etc. Of course, all the publications I've listed above have online editions, and you can go through large parts of their archives without having to pay for it.
3. Your news story will be a lot more relevant if it's within the last 6 months. My list above is suggestions only – if you find something interesting in a place I haven't mentioned, please feel free to use it.
4. If you use an article from a printed publication, please attach either the clipping, or a copy of the article with your submitted essay. If you've used an online article, attaché a printout of the article.
5. If you're going to quote a source, please do so clearly and cite it in your bibliography. Please provide a list of references at the end of your paper. Even if all you've used is the textbook – cite it. Plagiarism will not be tolerated, and will be considered cheating with the same penalties described in the syllabus.
6. How to approach your topic
  - a. Explain the issue, and how it relates to what we've covered in class. Do this in a detailed, exhaustive manner. Your textbook will probably be very helpful at this stage, as will the class notes. The goal is to see how much of the material covered you have understood, how well you have understood it, and how well you can apply it. I won't know unless you show me.
  - b. Use diagrams whenever possible. Mark them clearly.
  - c. Try to be as unbiased as possible. There's always more than one side to anything, so explain each angle and evaluate them. If the article mentions conflicting opinions or claims, evaluate each one.
  - d. I recommend you divide your paper into sections, e.g., Introduction – The Issues – Analysis – Conclusions. This will help you organize your thoughts better. Of course, you can write and title your sections in any way you want.
  - e. We are all human, and however hard we try, our personal ideologies might creep into our analysis. Your conclusions will be acceptable as long as you can justify them with rational, well-thought-out, written arguments. Once again, explain your conclusions in detail.
  - f. The library and the internet are your friends. Worthwhile outside research will definitely reflect in your grade on the paper.
  - g. Feel free to contact me with questions about your topic and how to tackle it.