

Principles of Economics (Undergraduate)

Department of International Business,
National Chengchi University
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Class Hours: 9:10-12

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Office Hours: By Appointment or
Drop in whenever

OVERVIEW: This is the second part of an introductory economics course. This semester focuses on macroeconomics. Macroeconomics is the study of the economy as a whole, and examines the determinants of macroeconomic variables and relations among those variables. The typical variables we will focus on economic growth, inflation, saving, investment, current account, exchange rate, and so on.

In this course we develop frameworks for understanding macroeconomics in the long and short runs. You will use these tools to come to understand the macro history and current position of a country that interests you. You will also learn how to interpret macro data, skills that are hugely important for jobs in policy and finance.

Course Work: The course will be lecture based. I will post all lecture notes and readings (except books' chapters) to our course website.

Grading:	Class Participation:	5%
	Homework	20%
	1 Midterm:	30%
	1 Final exam:	45%

Homework Assignments

Purpose: review what we learn in the class and provide practice in applying concepts learned in class. You can't learn without practice.

- Doing homeworks is important for getting good scores on the exams.
- Those questions are assigned beforehand.
- Write up your answers **individually**. This should ensure you understand your answers.
- I will collect your answers, i.e., your assignments will be graded for your final grade. I will give you the answers after each deadline.
- The homework questions should be considered as sample questions for the exams.

One Midterm and one Final Exam

Purpose: Help you become sufficiently comfortable with key concepts that you can think with them and converse intelligently about them.

- Closed book: You must remember certain key things.
- All are in-class tests.
- All tests will be cumulative. Cumulative tests provide opportunities to learn the material more deeply, and commit it to long-term memory.
- Some of the questions in a midterm and final exam will be from homeworks while some of them will be from lectures.
- You will have a Mid-term exam on April 19. **YOU MUST BE THERE. NO alternative.**
- The dates for the final exam will be announced later.
- Final exam on June 11, 2011: It is a comprehensive final exam jointly held with the students of other introductory economics classes. There is no alternative.

Class Participation:

Participation in class discussion is critical. This does not require that you stun your classmates with insight. Sharing relevant experiences is very valuable. Clarification questions are also highly valued (if it's not clear to you, chances are it's not clear to others). Good class participation also involves (i) arriving on time, (ii) remaining seated until class is over, and (iii) remaining quiet and attentive unless contributing to class discussion.

Class Mailing List

Once you register for this class, you are automatically included to the list. You will receive all emails sent through the mailing list. However, you may not receive any as a result of some restrictions on receiving emails. In particular, please remove some if your registered email address is the one of hotmail or yahoo.

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Some Things You Must Do

- Attend every single class.
- Participate in class discussions (*intelligently!*).
- Language of instruction for this class is English. You have to write all of your answers and talk to me in English.

Some Things You Must NOT Do

- Collaborate on the exams.
- Quote your group-mates or anyone else on homework assignments. Though you may collaborate on coming to understand the answers, the actual written answers to assignments must be composed independently.

READINGS:

- Required book: Gregory Mankiw, *Principles of Economics*, Fifth edition, Thomson South-Western, 2007. You can buy it through Hwa Tai Publishing (www.hwatai.com.tw or business@hwatai.com.tw).

- The course notes can be downloaded at:

<http://elearn.cc.nccu.edu.tw/>

- Read strategically! Part of your education here concerns time management.
 - ✓ If the problem sets are a breeze, don't spend much time on text chapters.
 - ✓ Before looking at an article ask yourself: What am I supposed to learn from this? How is this article related to what was covered in class on this topic? Most key lessons can be summarized in a few sentences.

COURSE OUTLINE

Topics:	Mankiw's Chapter(s)
1) Factor market	18
2) Frontier of Microeconomics	22
3) Measuring a nation's income	23
4) Measuring the cost of living	24
5) Production and growth	25
6) Saving, investment and the financial system	26
7) Unemployment	28
8) The monetary system	29
9) Inflation	30
10) Open economy macroeconomics	31-32
11) Aggregate demand and supply	33
12) Monetary and fiscal policy	34
13) Phillips curve	35