

# Econ 101: Principles of Economics (Section 14)

## Fall 2018

MWF: 10-10:50am in PSFA-325

Instructor: Kyutaro (Q) Matsuzawa

Office: NH-322

Office Hours: Wednesday at 11am-12pm, Friday at 9-10am, or by appointment

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### Course Overview

Economics can be divided into microeconomics and macroeconomics. In this course, we will be looking at macroeconomics. Macroeconomics examines the economy as a whole from a top down perspective. We will first learn the basic economic tools and theories that can be used in both microeconomics and macroeconomics. Then, we will examine how the economy can change in the long-run. Finally, we will look at why short-run economics fluctuations occur. Throughout the course, we will be applying the tools and concepts we learn to real world examples to better understand how these topics work and relate to each of us.

### Textbook

Principles of Macroeconomics, 8<sup>th</sup> edition, N. Gregory Mankiw (Optional)

- Feel free to use a 7<sup>th</sup> edition. I will not be assigning any assignments from the textbook (I will be writing all the homework questions), so it will just be used solely for reference purposes.

### Learning Outcomes

Upon completing (and passing) this course, a student will be able to:

1. Apply basic economic concepts such as trade-off, opportunity costs, incentives, etc. to everyday life situations.
2. Discuss the use of the scientific method in economics
3. Demonstrate the gains from trade and specialization.
4. Use supply and demand curve to show how prices and quantities sold are determined in the market.
5. Illustrate how government policies could affect market equilibrium.
6. Define and calculate GDP.
7. Define and calculate CPI and inflation rate.
8. Explain how a country can increase its productivity.
9. Examine the relationship between savings and investment in a closed economy.
10. Explain why unemployment will never be zero.
11. Discuss how a central bank can influence the economy through monetary policy.
12. Use the model of aggregate demand and aggregate supply to analyze the short-run economic fluctuations.
13. Discuss how government can influence the economy in the short-run.

14. Explain the short-run trade-off between inflation and unemployment.

### **Grading**

The grading criteria will be as follows:

Exam 1: 25%  
Exam 2: 25%  
Final Exam: 35%  
Homework: 15%  
Extra Credit Assignment: 5%

The following are the percentages you need to earn a specific letter grade:

A: 93-100%    A-: 90-92.9%  
B+: 87-89.9%    B: 83-86.9%    B-: 80-82.9%  
C+: 77-79.9%    C: 73-76.9%    C-: 80-82.9%  
D+: 67-69.9%    D: 63-66.9%    D-: 60-62.9%  
F: 0-59.9%

I will not curve individual exams or homework assignments, but if the overall class average is low, I will be curving the class so that the median grade will be a B-.

### **Exams**

Exam 1 will take place on Friday, October 5<sup>th</sup> at 10am; Exam 2 will take place on Friday, November 16<sup>th</sup> at 10am; and the final exam will take place on Friday, December 14<sup>th</sup> at 10:30am. All exams will be closed book/notes and absolutely NO electronic devices, other than a basic scientific calculator, can be used. NO make-up exams will be given unless there is an emergency with proof (such as doctor's note) or unless you've notified me ahead of time (at least a week prior to the exam date).

### **Homework**

I will be assigning a total of around 8 to 10 homework assignments during this semester. It should 1) help you apply what you learned in class and 2) help you review for the exams. I will NOT accept any late homework, but I will drop your lowest homework score.

For the homework assignments, you may work with ONE partner of your choice, but you may also choose to work on your own. A partner group should submit one assignment/copy per assignment. A partner homework does NOT mean one person works on all the problems and the other person puts his/her name. It means the two of you will work on it together to figure out the solutions. Please contact me if your partner is not being collaborative.

### **Extra Credit Assignment**

I believe economics is about applying the concepts and topics to real life. For this assignment, I want you to apply the topics you learned in class to real world applications in order to get more of a grasp on how the economy and economics work. I want you to look at common real life debates/issues going on (or that have happened) around the world that relate to the topic(s)

we covered (you could look at chapter 23 of your textbook or ask me for appropriate debates/issues). Then, I want you to research, discuss, and argue more about the chosen topic(s). For example, if you decide to research about minimum wage, then you can write about the history of it; why/how it changed; the results from it, etc.

Unlike the homework, this assignment should be done individually. This assignment will be graded based on how well you explained, discussed, and argued your topic using the economic model/theory we learned in class. An example of a good argument and explanation would be, "an increase in minimum wage is a good (or bad) thing b/c the economic model we learned in class states that it will... b/c..." You could possibly earn a maximum of 5% added to your overall grade upon submitting this assignment. I will post the rubric for this assignment a few weeks before the due date.

### **Attendance**

Attendance is not mandatory. I will not be punishing or rewarding you for showing up to class. However, I highly suggest showing up to class because students who show up to class tend to do better on exams than those who do not. I will only post a detailed study guide (NOT the actual lecture notes), so you will be responsible for the notes for the class you've missed.

### **Academic Misconduct**

I will NOT tolerate cheating or plagiarism of any kind. Examples of these include, but are not limited to: looking at someone else's paper, telling someone else the answer, using cell phones during the exam, etc. If I catch you cheating or plagiarizing on any of the assignments, I will promptly report you to the Center for Student Rights and Responsibilities as required by university policy, and you will receive a zero for that assignment. Please refer to [http://go.sdsu.edu/student\\_affairs/srr/cheating-plagiarism.aspx](http://go.sdsu.edu/student_affairs/srr/cheating-plagiarism.aspx) for more about cheating and plagiarism.

### **Class Policies**

- Please turn off/silence your cell phone during class time.
- If you have to leave the class early, please sit near the door so your classmates won't get distracted when you are leaving.
- You may use your laptop for note taking, but that does not mean you can go on Facebook, YouTube, etc. during class.
- No recording or taping the lecture.
- Please do not come asking me for lecture notes for a class that you missed unless you have a valid excuse for being absent.

### **Accommodating Disabilities**

If you have or acquired any sort of disability that may require accommodation, feel free to discuss it with me at your convenience. If you want to find out what services are available on campus, contact Student Disability Services, Suite 3100, Calpulli Center, (619)-594-6473. [http://go.sdsu.edu/student\\_affairs/sds/](http://go.sdsu.edu/student_affairs/sds/)

## **Tentative Course Schedule**

### Week 1 to Week 6

Chapter 1: Ten Principles of Economics  
Chapter 2: Thinking Like an Economist  
Chapter 3: Interdependence and the Gains from Trade  
Chapter 4: The Market Forces of Supply and Demand  
Chapter 6: Supply, Demand, and Government Policies  
Chapter 10: Measuring Nation's Income  
Chapter 11: Measuring the Cost of Living

-----Exam 1 -----

### Week 7 to Week 12

Chapter 12: Production and Growth  
Chapter 13: Saving, Investment, and the Financial System  
Chapter 15: Unemployment  
Chapter 16: The Monetary System  
Chapter 17: Money Growth and Inflation  
Chapter 18: Open-Economy Macroeconomics

-----Exam 2 -----

### Week 13 to Week 15

Chapter 20: Aggregate Demand and Aggregate Supply  
Chapter 21: The Influence of Monetary and Fiscal Policy on Aggregate Demand  
Chapter 22: Short-run Trade-off between Inflation and Unemployment  
Chapter 19: A Macroeconomic Theory of the Open Economy (If time permits)

-----Final Exam -----

\*This is a tentative schedule and is subject to change.