

# EC 110 Principles of Economics (Fall 2024)

Seminar Leaders: Israel Waichman (Group A) & Stephan Müller (Group B)

Course Times: Group A: Monday and Wednesdays 9:00-10:30;

Group B: Mondays 1400-1530 and Tuesdays, 17:30-19:00

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## Course Description

This course is an introduction to the essential ideas of economic analysis. It elaborates the basic model of consumer and firm behaviour, including demand and supply, in the context of an idealized competitive market, and compare this model to observed “real-world” markets. This course also introduces other concepts such as monopoly, minimum wages and other price controls, taxes, and government regulation. The assumptions concerning human behavior that underlie economics are presented and critically discussed. The module is also concerned with the aggregate behaviour of modern economies: growth and measurement of the economy, unemployment, interest rates, inflation, government spending and its impact, and international trade.

## Learning outcomes

- Introducing the fundamental concepts of economic analysis
- Introducing the economic discipline and its application to the explanation of human behavior
- Basic knowledge and understanding of the overall functioning of modern economies
- Critically assessing the descriptiveness of economics models and assumptions to real-world economic behavior and market dynamics.

## Requirements

### Textbooks

For this course, we will use the textbook “Economics” by Mankiw/Taylor (5<sup>th</sup> edition) and required readings will mostly be from this book (other editions of the book “Principles of Economics” by Mankiw may be used as even less perfect substitutes).

Additional reading may be provided during the course.

### Attendance

Attendance at all classes is a crucial part of the education offered by Bard College Berlin and therefore mandatory. Students may be excused if circumstances outside of their control prevent their attendance (e.g. illness, appointment with a government office). These cases are excused if notification is given via email before the course. The instructor may require additional documentation in case of frequent absences during exams/quizzes.

Bard College Berlin does not offer credit for any course in which a student has missed more than 30% of classes, regardless of the reasons for the absences, whether excused or unexcused.

The full Bard College Berlin attendance policy can be found in the Student Handbook, Section 2.8.

### Assessment

Assessment will be based on attendance, preparation for classes, regular and active participation, professionalism (see below), quizzes, exercises as well as a midterm (60 minutes) and final examination (90 minutes).

### Use of cell phones

The use of cell phones is not allowed during the classes. Please leave your cell phone in your bag during the classes.

### Exercise Deadlines

Exercises are due before class one week after being given. Those exercises will be given throughout the course where appropriate and constitute an integral part of the final grade.

### Policy on Late Submission of Exercises

Exercises that are up to 24 hours late will be downgraded one full grade (from B+ to C+, for example). After that, we will accept late submissions only until the end of the week in which they were due (Sun, 23:59), but these cannot receive a grade of higher than C. Thereafter, the student will receive a failing grade for the assignment.

### Grade Breakdown

Seminar preparation, professionalism, participation, home exercises, and Quizzes 40%

Midterm examination 30%

Final examination 30%

## Schedule

Fall 2024 classes start on Monday, September 2 and run until Friday, December 13 with fall break planned from Mon, Oct. 21 - Sun, Oct. 27, 2024. Completion week is from December 16 through December 20. The midterm exam is scheduled for October 15 between 12:30 and 13:30. The final exam date and time have yet to be decided. **Students are required to be on campus during completion week and the final exam will be scheduled during this week.**

The schedule provided is provisional in order to allow for flexibility. It is the students' responsibility to keep themselves informed of any changes to the schedule provided here. An up-to-date schedule will be maintained by the course management in our google classroom system and lecture slides can be downloaded from there as well. Please sign in for the course, using the code provided in the first session of class (classroom.google.com). Problem sets will be distributed and returned via google classroom.

As the chapter structure differs slightly between the 4<sup>th</sup> and 5<sup>th</sup> edition, the following list denotes the reading for both editions.

Topics:

- Introduction to economics
  - Introduction
  - The principles of economics (Ch1.)
  - Thinking like an economist (Ch.2)
  
- Theory of competitive markets: “The market forces of supply and demand”
  - How markets work I: Supply and demand (Ch.3)
  - How markets work II: Welfare (4<sup>th</sup> ed: Ch. 7; 5<sup>th</sup> ed: Ch. 6)
  
- Interventions in markets: “Supply, demand and government policies”
  - Price controls and taxes (4<sup>th</sup> ed: Ch. 8; 5<sup>th</sup> ed: Ch. 7)
  - Public goods and common resources (4<sup>th</sup> ed: Ch. 10; 5<sup>th</sup> ed: Ch. 8)
  
- Further topics:
  - Market failure and externalities (4<sup>th</sup> ed: Ch. 11; 5<sup>th</sup> ed: Ch. 9)
  - Behavioural Economics
  - [Nation’s well being (4<sup>th</sup> ed: Ch. 21; 5<sup>th</sup> ed: Ch. 20)]
  - [Inequality (4<sup>th</sup> ed: Ch. 18; 5<sup>th</sup> ed: Ch. 16)]

Week 7: Midterm Exam (to be scheduled).

Week 15: Completion week # Final Exam (to be scheduled)

- *Classes missed due to federal holidays will not be rescheduled.*

## Professionalism

Being a student is your full-time job and with it come a set of responsibilities and expectations, as with any other job. Maintaining a professional attitude towards your course of study is something that also prepares you for later work life. A professional attitude towards your studies is shown by coming to class on time, being prepared, being courteous to your teachers and fellow students. It is exhibited by writing your essays with care, actively participating in class, avoiding distractions (excessive bathroom breaks, using smartphones to check on irrelevant issues during class etc.), not missing classes except for the most dire of circumstances and in general by adapting to the rules of the course without trying to bargain for personal exceptions.

## Ethics/Academic honesty

A core value of the academy is truth and the pursuit thereof. Nothing can shake the foundations of this pursuit as much as academic dishonesty as it undermines the trust that is indispensable to it. This is why I will not excuse any instance of academic dishonesty. Plagiarism, cheating during exams, copying homework assignments (or doing individual assignments with a classmate) all constitute violations of academic honesty and of the clause on “academic integrity” that each student has signed in the student handbook. They can lead to failing the course and will be reflected in the student’s record (having a record of academic dishonesty can make obtaining scholarships, achieving a study abroad place or admission to another program difficult if not outright impossible). If students fail to meet the expected standards of academic integrity, this will be dealt with under the Code of Student Conduct, Section III Academic Misconduct.

(this version: July 10, 2024)