

Principles of Economics (Undergraduate)

Department of International Business,
National Chengchi University
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Class Hours:

Instructor: Ryuichi Yamamoto

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Office: Research Building 608

Teaching Assistant: TBA

Office Hours: By Appointment or

Drop in whenever

OVERVIEW: This is the first course of an introductory economics course. The first semester focuses on microeconomics, which is the study of how households and firms make decisions and how they interact in specific markets. We develop analytical frameworks for understanding microeconomics. You will use these tools to come to understand specific issues on some fields in microeconomics such as public finance, international trade, industrial organization, and labor economics.

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:	10%
	1 Midterm:	40%
	1 Comprehensive Final exam:	50%

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.
- Work in groups of 3 or 4 coming to understand the problems.
- Write up your answers **individually**. This should ensure you understand your answers.
- I will **NOT** collect your answers, i.e., your assignments will **NOT** be graded for your final grade. However, I will post the answers one week after assigning the homeworks.
- You will be tested in the exams about the homework questions. So, the homeworks should be considered as sample questions for the exams.

One Midterm and one Comprehensive 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, e.g., formula for covered interest parity.
- 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 . **YOU MUST BE THERE. NO EXCEPTIONS except for dire medical emergencies.**
- The dates for the final exam will be announced later.
- Comprehensive Final exam: There will be no alternative except for documented exam conflicts. **DO NOT MAKE TRAVEL ARRANGEMENTS UNTIL THE TIME IS FINALIZED.**

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!*).

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.

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READINGS:

- Required book: Gregory Mankiw, *Principles of Economics*, Fourth edition, Thomson South-Western, 2007.

- 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

- 1) Introduction to Economics**
- 2) Gains from Trade**
- 3) Demand and Supply**
- 4) Elasticity**
- 5) Government Policies**
- 6) Consumer and Producer Surplus and the Cost of Taxation**
- 7) Externality**
- 8) Public Goods**
- 9) Production Costs**
- 10) Perfect Competition**
- 11) Monopoly**
- 12) Oligopoly, Game Theory**
- 13) Monopolistic Competition**
- 14) Theory of Consumer Choice**