



## SYLLABUS

**Course Number and Title:** ECON 603 – INTRODUCTION TO ECONOMIC THEORY

**Instructor's Name:** Damyana BAKARDZHIEVA, PhD

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Office: Roper 119

**Term:** Spring 2008

**Prerequisites:** An introductory course in economics

**Course Length:** 15 weeks

**Textbook:** *Essentials of Economics* (2006), Paul Krugman, Robin Wells, and Martha Olney, Worth Publishers.

**Required Material:** Extensive reading of the Economist, the Wall Street Journal and/or the Financial Times will be useful.

**Class Schedule:** Classes meet Tuesdays from 8:10-10:40 pm in WARD 303.

### **Additional Resources / Recommended readings:**

Additional textbooks to which the student can refer for additional information:

*Economics*, Paul Samuelson and William Nordhaus, Pearson Education Inc., 18<sup>th</sup> Edition, 2006.

*Economics*, Michael Parkin, Addison Wesley, Pearson Education, 7<sup>th</sup> Edition, 2005.

### **Learning Objectives:**

Welcome to ECON 603! This course is an introduction to microeconomics and macroeconomics. It is part of The School of International Service's Masters degree requirements, and is designed to give participants a firm grounding in the key elements of economic theory, and yet have a practical, policy orientation so that it relates to economic phenomena likely to be encountered by students and graduates in their career or daily life. At the end of the semester the students should have acquired practical understanding of the broad and dynamic field of Economics in today's global environment.

### **Attendance**

Class attendance and participation is required and will be considered in the calculation of your grade. It is important at the very first class to get the name and number of a fellow student. In the event that you are unable to go to class, this student should collect any materials for you and provide you with notes.

### **Methods of evaluation and breakdown of final grade:**

All grades are given using the following grading system: A (94 – 100), A- (90 – 93), B+ (87 – 89), B (83 – 86), B- (80 – 82), C+ (77 – 79), C (73 – 76), C- (70 – 72), D+ (67-69), D (63-66), D- (60-62), F (0 - 59).

To be fair to all students, I do NOT give extra credit for any work which is not a requirement for all students in class. Please do NOT request differential treatment as a way to boost your grades.

#### ***Final grade breakdown:***

<b><i>Quizzes:</i></b>	<b><i>30%</i></b>
<b><i>Paper (micro):</i></b>	<b><i>30%</i></b>
<b><i>Paper (macro):</i></b>	<b><i>30%</i></b>
<b><i>Class participation:</i></b>	<b><i>10%</i></b>
<b><i>Total</i></b>	<b><i>100%</i></b>

#### **Term papers:**

Each student is required to write two reaction papers - one based on a micro topic, and one based on a macro topic. They will be in reaction to a newspaper article from a major daily newspaper. Each reaction papers will summarize the article in half a page, then outline the economic problem using the tools discussed in class and in the text, analyze the policy options (if applicable) from the article or supply a solution, and discuss the economic outcomes from the solution(s). Use graphs where appropriate. The papers should be 4-5 double-spaced 12-font pages including graphs. The papers will be graded on both the quality of the writing and the economic analysis. For every assignment, I will provide one sample article with questions for its analysis. You can choose to use this article, or find another one and receive 5 points bonus for originality.

**Quizzes:** There will be SIX quizzes during the semester. Your best FIVE scores will be used to calculate your grade. The quizzes will consist of 10-20 multiple choice questions. They will be administered in the first half hour of the class according to the schedule below.

**Discussion sessions:** There will be two sessions dedicated fully to case studies and discussions the weeks before your term papers are due. These are intended to help you practice analyzing the economic news. The readings for each session will be posted on Blackboard. Your participation in these two sessions will be used extensively in the calculation of the participation grade.

#### **Academic Integrity**

Standards of academic conduct are set forth in the University's Academic Integrity Code. By registering, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the Code. Violations of the Academic Integrity Code will not be treated lightly, and disciplinary actions will be taken should such violations occur. Please see me if your have any questions about the academic violations described in the Code in general or as they relate to particular requirements for this course.

#### **Instructor/TA Availability**

The office hours for the class will be held on Wednesday from 3:00 to 5:00 pm by the TA Eugenia Todorova in the TA office on the first floor of Roper Hall. You can reach her by e-mail at [e.o.todorova@gmail.com](mailto:e.o.todorova@gmail.com). The best way to get in touch with me is via e-mail too at [bakardzh@american.edu](mailto:bakardzh@american.edu).

**Course Outline:**

*This schedule is subject to change during the semester, based on the overall pace of the class.*

<b>DATES</b>	<b>TOPICS</b>	<b>READINGS</b>
<b>Jan 15</b>	Presentation of course content Presentation of the semester  Introduction to Economics The Market Supply and Demand	Chapters 1, 2, 3
<b>Jan 22</b>	Applications of Supply and Demand	Chapters 4, 5, 6
<b>Jan 29</b>	<b>Quiz 1</b> Demand and Consumer Behavior	Class notes, slides
<b>Feb 5</b>	Production Decisions and Cost Analysis Perfect Competition	Chapters 7, 8
<b>Feb 12</b>	<b>Quiz 2</b> Imperfect Competition: Monopoly, Oligopoly, Monopolistic Competition	Chapters 11, 12
<b>Feb 19</b>	Case studies, discussions	
<b>Feb 26</b>	<b>Quiz 3</b> Overview of Macroeconomics Measuring Economic Activity	Chapters 14, 15
<b>Mar 4</b>	<b><i>Micro Papers Due</i></b> Consumption, Investment	Class notes, slides
<b>Mar 11</b>	Spring break – <b>no class</b>	
<b>Mar 18</b>	Professor attending conference – <b>no class</b> ; make-up on Apr. 29	
<b>Mar 25</b>	The Multiplier The Government and its Fiscal Policy	Chapters 16, 17

<b>DATES</b>	<b>TOPICS</b>	<b>READINGS</b>
<b>Apr 1</b>	<b>Quiz 4</b> Money, Banking and Financial Markets Central Banking and Monetary Policy	Chapter 18
<b>Apr 8</b>	Unemployment Inflation	Class notes, slides
<b>Apr 15</b>	<b>Quiz 5</b> Case studies, discussions	
<b>Apr 22</b>	<b><i>Macro papers due</i></b> International Trade Exchange Rates and the International Financial System	Chapter 13 Class notes, slides
<b>Apr 29</b>	<b>Quiz 6</b> Economic Growth Inequality and Poverty	Class notes, slides

**Date of last update of the syllabus:** January 2008