

BRANDEIS UNIVERSITY  
Department of Economics

Economics 2a  
Introduction to Economics

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Spring, 2008

Syllabus

This course is an introduction to the field of Economics. The course will give you an idea of the range of behaviors that economists investigate, introduce you to the basic tools that are used to analyze microeconomic and macroeconomic behavior, and apply these tools to public policy issues. Perhaps most importantly, this course will introduce you to the “economic way of thinking,” -- an approach to decision making that applies to personal decisions, to the decisions of businesses, and to the larger choices that society faces.

This course satisfies the School of Social Science distribution requirement and the Quantitative Reasoning component of the General University Requirements. It is also the first course for any student considering a concentration or minor in Economics.

Class Meetings

In addition to the lectures on Monday, Wednesday and Thursday, the teaching staff offers an additional treatment of the material on Tuesday nights from 6:30-8:30. These sessions are highly recommended. The sessions, led by the teaching assistants, will give you an additional opportunity to ask any questions that you have about the material.

Exams

There will be two midterm exams. The location and times for these exams will be announced at a later date. One or both of these exams may take place during a Tuesday night session in which case attendance at that session will be mandatory. There will also be a final exam during finals week at a time and a place determined by the Registrar.

Text

The required text is Krugman, Wells, and Olney, Essentials of Economics with the Aplia access card package. The isbn number for the book with the package is 1429203730. Please buy the book with the Aplia package as both are necessary for the course. Also, if you purchase these separately, it will end up costing quite bit more money!

## Grading Policy

In addition to the exams, there will be 10 problem sets. Three of these problem sets arrive just before an exam. These three specific problem sets do not have to be turned in. In order to get full credit for the problem sets, you will have to turn in 7 required problem sets. Some of the problem sets will be online problem sets that will be graded through the Aplia system.

Whichever midterm you score higher on will count for 30% of your grade. The other midterm will count for 25% of your grade. The final exam will count for 30% of your grade. The remaining 15% of your grade will be based on the problem sets.

## Contact Information

My office is Lemberg 132. The best way to contact me is by e-mail: [kgraddy@brandeis.edu](mailto:kgraddy@brandeis.edu). Office hours will be announced shortly.

## Information Dissemination

In Economics 2a we will maintain a course website through Aplia. You will be responsible for checking the Aplia website frequently as course material will be posted there and available for you to download. All course slides will be posted on this website, and additional reading that will be necessary for this course will also be on this website. To read such files you will need to have Adobe Acrobat Reader installed on your computer. All computers in the computer labs on campus come equipped with the Reader.

## Doing Your Best

Here are some suggestions that may help you to do well in Economics 2a:

- 1) do the assigned reading before class to get a preview of the material to be covered and to prepare any questions you have about this material
- 2) take the problem sets seriously, because they are the best indication of whether you understand the material and they are the best preparation for the exams
- 3) Keep up with the work.

## Special Accommodations

If you are a student with a documented disability at Brandeis University and if you wish to request a reasonable accommodation for this class, please see me right away. Please keep in mind that reasonable accommodations are not provided retroactively.

## Academic Integrity

You are expected to be familiar with and to follow the University's policies on academic integrity (<http://www.brandeis.edu/studentlife/sdc/ai/>). Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judiciary System. Sanctions may include failure in the course and suspension from Brandeis. If you have any questions about expectations, please ask.

### Course Outline

Wednesday 1/16	Introduction to the course	Chapters 1
Thursday 1/17	The Gains from Trade	Chapter 2
Wednesday 1/23	Supply and Demand	Chapter 3
Thursday 1/24	Supply and Demand Equilibrium	Chapter 3
Monday 1/28	Price Controls	Chapter 4
Wednesday 1/30	Elasticity	Chapter 5
Thursday 1/31	Elasticity	Chapter 5
Monday 2/4	Consumer and Producer Surplus	Chapter 6
Wednesday 2/6	Effects of Taxes/Deadweight Loss	Chapter 6
Thursday 2/7	Inputs and Costs	Chapter 7
Monday 2/11	Perfect Competition and the Supply Curve	Chapter 7, 8
Wednesday 2/13	Perfect Competition	Chapter 8
Thursday 2/14	Monopoly	Chapters 11
Monday 2/25	Oligopoly	Chapter 12
Wednesday 2/27	Monopolistic Competition and Product Differentiation	Chapter 12
Thursday 2/28	Equity and Efficiency	Chapter 10
Monday 3/3	Externalities and Public Goods	Chapter 10
TUESDAY 3/4	MIDTERM EXAM #1 6:30-8:30 PM	
Wednesday 3/5	NO CLASS	
Thursday 3/6	The Demand for and Supply of Labor	Chapter 9
Monday 3/10	Labor Market Equilibrium	Chapter 9
Wednesday 3/12	International Trade	Chapter 13
Thursday 3/13	Measuring the Nation's Total Output	Chapter 15
Monday 3/17	Measuring the Overall Price Level	Chapter 15
Wednesday 3/19	Economic Growth & Productivity	Chapter 25 (Aplia)
Thursday 3/20	Policy toward Growth	Chapter 25 (Aplia)

Monday 3/24	Savings and Investment Spending	Chapter 26 (Aplia)
Wednesday 3/26	Financial Institutions	Chapter 26 (Aplia)
Thursday 3/27	Aggregate Demand (AD)	Chapter 16
Monday 3/31	Aggregate Supply (AS)	Chapter 16
Wednesday 4/2	Shifts in AD/ Liquidity Preference	Chapter 16
Thursday 4/3	How Monetary and Fiscal Policy Work	Chapter 17
Monday 4/7	How Monetary and Fiscal Policy Work	Chapter 17
Tuesday 4/8	MIDTERM EXAM #2 6:30-8:30	
Wednesday 4/9	NO CLASS	
Thursday 4/10	The Meaning of Money	Chapter 18
Monday 4/14	The Fed, Banks and The Money Supply	Chapter 18
Wednesday 4/16	Unemployment	Chapter 32 (Aplia)
Thursday 4/17	The Philips Curve	Chapter 32 (Aplia)
Monday 4/28	The Theory of Inflation	Chapter 33 (Aplia)
Wednesday 4/30	The Costs of Inflation	Chapter 33 (Aplia)