

INTRO TO ECONOMICS

Economics 100
Fall 2007
Room C208

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Office Hours: Daily at 10:30, or by appointment at other times (my classes are at 9:30 and 11:30).

What is the nature of our modern economy? We say we live in a “capitalist” or “free enterprise” economic system, but what exactly does that mean? There is also much talk of a “globalized” economy – so what does it mean for the U.S., and for you, to be part of a global economy? Is globalization a good thing for everybody involved? So, an introduction to the development of the world economy is one of the goals of our course.

We also have some more specific economic questions to ask about how today’s U.S. economy works. Why does the national economy fluctuate up and down? Are Depressions still possible, or has the economy outgrown them? What happened to people during the Depression of the 1930’s, and why did it happen?

There are other important cotemporary issues as well. What determines wage rates and the distribution of income? Is the minimum wage a good idea? How do markets affect the environment, locally and globally? We want to know why the national and international economy acts the way it does, and what effect the actions and policies of governments, multinational corporations, and international institutions have on our economic lives.

We will analyze important current issues -- such as monetary policy, the federal budget, the value of the U.S. dollar, the value of free trade agreements. The course will introduce you to differing perspectives and look at how we have gotten to where we are now. Hopefully, you will gain understanding of our economic world and an enhanced ability to critically evaluate events and policies.

TEXTBOOKS

The Worst Hard Time, Timothy Egan.
Real World Globalization, Dollars and Sense.

We will also need some basic introductory economic material, in more of a standard textbook form. To do that we will use several chapters from an online textbook (authored by Timothy Taylor) at www.freeloadpress.com. Go to the site, find *Principles of Economics*, and download the chapters we need. It is free, unless you want them to send you a hard copy. You will have to put up with some ads – let me know whether the hassle is worth the free textbook.

CLASS REQUIREMENTS

A. Exams

There will be four one-hour exams during the quarter, one every two weeks. Exams will consist primarily of short essay questions. These will have you briefly explain an economic concept, or apply the concept to a situation. Exams will be based on all the reading and lectures for that segment of the course. Each will count 60 points toward the final grade. There will also be a final exam, a take-home exam with longer essay questions. These questions will cover the main themes of the course. The final will count 100 points.

Please do not miss an exam. If an emergency arises and **you notify me before-hand**, and you complete the rest of the course work, you may be able to make up a missed exam at the end of the quarter. This exam will be significantly different than the original, most likely two or three extended essay questions.

B. In-class Assignments

Once or twice a week I will set some questions or problems for you to answer or discuss in groups. Each group will turn in a summary of the discussion, for 60 points in all. You must be present to get credit for these; the point is that you are learning through interaction with your peers. You will be prepared to do these assignments if you are keeping up with the class and the readings.

C. Class Participation/ Seminars

We will have seminars once every week. Not all economic questions have “answers” that can be written down on an exam or an assignment. Economic policy is most often controversial. Therefore, I want you to develop skills in analyzing and then discussing important economic issues. We will break into smaller groups to seminar.

You need to prepare for these discussions, by reading the material and doing a one-page seminar paper (which you will turn in to me). This paper will state the main points and arguments of the readings, and connect (or contrast) the readings to what we are studying in class and the textbook. In the discussions, you will express your views and opinions (not in the papers). Each seminar paper will count for 10 points (100 altogether – there will be 10 seminars, you can miss one with no grade penalty).

GRADES

Your grade will be based on the number of points you earn:

A 460 - 500	B+ 420 - 439	C+ 360 - 379	D+ 300 - 319
A- 440 - 459	B 400 - 419	C 340 - 359	D 280 - 299
	B- 380 - 399	C- 320 - 339	

I do not allow “extra-credit” assignments. Your grade is based on the quality of your work, not its quantity. If you are unhappy with your grade, increase or improve your studying -- I do take account of improvement in your performance over the course of the quarter.

CLASS SCHEDULE

The following chapter assignments are from your textbooks. There may also be articles (assigned in class, and posted on the MyBCC class website) from newspapers such as the *Wall Street Journal* once we get into the material, in order to apply what we are learning to current events.

WHT: *Worst Hard Time*, Egan.

RWG: *Real World Globalization*, Dollars and Sense.

PE: *Principles of Economics*, Taylor.

WEEK 1 (Sept. 24 – 28) PE, chapters 1 and 4; WHT, pages 1 - 58.

WEEK 2 (Oct. 1 – 5) PE, chapter 5; WHT, pages 59 – 127.

WEEK 3 (Oct. 8 – 12) PE, 21; WHT, pp. 128 – 175.

WEEK 4 (Oct. 15 – 18) PE, 23; WHT, pp 176 – 235.

WEEK 5 (Oct. 22 – 26) PE, 29 and 30; WHT, pp 236 -- 272.

WEEK 6 (Oct. 29 – Nov. 2) PE, 32; WHT, finish.

WEEK 7 (Nov. 5 – 9) PE, 3; RWG, chapters 1 and 2.

WEEK 8 (Nov. 13 – 16) PE, 6; RWG, 4 and 5.

WEEK 9 (Nov. 19 – 21) PE, 25; RWG, 9.

WEEK 10 (Nov. 26 – 30) PE, 31; RWG, 3.

WEEK 11 (Dec. 3 -- 7) PE, 14; RWG, 7 and 10.

EXAMINATIONS

One-hour exams: Wednesday, October 10th

Wednesday, November 14th.

Monday, October 29th.

Wednesday, December 5th.

Final exam due Tuesday, December 11th.

CLASS SESSIONS

I would like our class time together to be as interactive as possible. Please read the assigned material beforehand, and be prepared to discuss it. Come prepared with questions or comments. Bring questions or discussion of current economic news and events into the classroom. I will be asking you questions, to generate discussion of the readings.

Your success in the course partly depends on your active involvement, including class attendance, class participation, seeing me outside of class. Take advantage of office hours. Use E-mail. Get help early if you need it -- either to understand the economic concepts, or to improve your study techniques.

CLASS OUTCOMES

Here is what BCC (the Economics department, in particular) thinks you should be able to do by the end of this quarter:

- Interpret and use major economic statistics such as GDP, inflation rate, unemployment rate, growth rates, exchange rates, trade and budget balances, productivity, money supply and interest rates.
- Identify and analyze theories of the causes of business cycles, and of the impact of monetary and fiscal policies upon the economy.
- Define and evaluate the importance of the basic sources of economic growth, and the impact of macroeconomic and microeconomic policies on economic growth.
- Explain why exchange rates fluctuate, why governments choose alternative exchange rate regimes, and what effect exchange rates have on domestic economies.
- Describe the institutions of international trade; analyze the effects of trade policies and the interactions of trade with political and social systems.
- Identify the economic problems of scarcity, and identify and analyze the alternative methods available to societies and policy-makers of allocating scarce resources.
- Use the economic models of markets, including the forces of supply and demand, to predict and analyze market outcomes.
- Describe and analyze the strengths and weaknesses of a market system, and evaluate the policies of government in modifying market outcomes.
- Identify and explain the impact of cultural and historical forces on the economic problems and options faced by particular societies.