

**Economics 110-02: Intro to Economic Theory**  
**Wesleyan University**  
**Spring 2013**  
**Professor Damien Sheehan-Connor**

## **Course Description**

This is a one-semester introduction to both microeconomics and macroeconomics intended for students interested in majoring or minoring in economics. The course assumes proficiency with basic calculus.

## **Instructor Information**

Instructor: Prof. Damien Sheehan-Connor  
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Phone: x2531  
Office Hours: M 4-5pm, Tu 3-5pm

## **Readings**

The required textbook for this course is:

*Economics*, Third Edition, by Paul Krugman and Robin Wells, Worth Publishers, New York, 2012.

This course covers a lot of ground and it will be impossible to discuss every important point in lecture. As such, reading the textbook will be critical to developing a good understanding of the course material. Reading assignments for each lecture are presented below; the lecture numbers for a given class will be posted on Moodle.

Note that the text is not as mathematically rigorous as we will be in lecture and does not use calculus (no mainstream introductory textbook does). Mathematical extensions to the textbook material will be provided in lecture.

## **Lectures**

As noted above, it will be impossible to discuss all of the material covered in the textbook during lecture. Lectures will typically be divided into two parts. In the first part, I will provide an overview of the assigned textbook reading and provide guidance as to what key points to emphasize in studying the text. The second part will explore important mathematical or graphical tools that economists use to

explain the textbook material, generally going beyond the level of mathematical sophistication used in the text itself.

## Written Assignments

There will be 10 problem sets assigned during the semester. Problem sets will be assigned on Friday and due the following Wednesday each week except for the first week of class and exam weeks. Problem sets are due in lecture on the due date; no late problem sets will be accepted without prior permission from the instructor. Due dates are listed below under “Important Dates.”

The problem sets are intended to prepare you for the exams and the questions will be similar in structure to those on the exams.

A help session will be run by the course assistant one or two days before each problem set is due.

Please see the section on “Academic Integrity” regarding information on collaborating with other students on problem sets.

The problem sets will count for 10% of the course grade.

## Examinations

There will be two midterms and one final examination. The second midterm will cover material from after the first midterm. The final exam will be cumulative with emphasis on material covered after the second midterm. The exam dates are listed below under “Important Dates.” Practice exams will be made available to help you prepare.

The midterms each account for 25% of the final course grade and the final accounts for 40%.

## Course Information

A course webpage will be maintained at <http://moodle.wesleyan.edu>. Important information will be posted here and grades will be recorded here. Course announcements with a critical time component (e.g. lecture cancellations) will be e-mailed to class members.

## Important Dates

### Problem Set Due Dates

Problem Sets are due in class **every Wednesday** except: (1) the first week of class; (2) the weeks of midterm exams. There will be a total of 10 graded problem sets.

### Examination Dates

Midterm Examination 1	Wednesday February 27 in class
Midterm Examination 2	Wednesday April 10 in class
Final Examination	Thursday May 16, 2-5pm in course lecture hall

## Academic Integrity

Wesleyan University has an honor code that can be read at:

<http://www.wesleyan.edu/studentaffairs/honorboard/honorcode.html>

It is expected that students will abide by the honor code during this course.

Exams are closed book. Calculators are allowed. Cell phones, notes, books, and anything other than writing implements, calculators and test papers should not be in evidence during exams. Students will be asked to sign the honor code pledge on each exam. Any students suspected of cheating during an examination will be referred to the Wesleyan Honor Board.

Collaboration on problem sets is allowed and, in fact, encouraged. I do require, however, that each student hand in a problem set written **in her own words** rather than one that is simply copied from another student. Collaborators should be noted in the space provided on each problem set.

## Students With Disabilities

It is the policy of Wesleyan University to provide reasonable accommodations to students with documented disabilities. Students, however, are responsible for registering with Disabilities Services, in addition to making requests known to me in a timely manner. If you require accommodations in this class, please make an appointment with me as soon as possible (by the third week of the semester), so that appropriate arrangements can be made. The procedures for registering with Disabilities Services can be found at

<http://www.wesleyan.edu/studentaffairs/disabilities/studentguide.html>.

## Topic / Reading List

Lecture #	Lecture Topic / Exam	Chapters
1	Introduction; Economic Models	1, 2
2	Supply and Demand	3
3	Welfare and Markets	4, 5
4	Markets and Elasticity	5, 6
5	Taxes	7
6	Overview of Decision Making by Individuals and Firms	9
7	Decision Making by Individuals	10
8	Decision Making by Firms	11
9	Competitive Markets	12
10	Monopoly	13
11	Oligopoly and Monopolistic Competition	14, 15
12	Externalities and Public Goods	16, 17
13	Welfare Economics	18
14	Macroeconomics: Overview and Measurement	21, 22
15	Unemployment and Inflation	23
16	Long Run Economic Growth	24
17	Savings, Investment, and the Financial System	25
18	Income and Expenditure	26
19	Aggregate Demand and Aggregate Supply	27
20	Fiscal Policy	28
21	Money, Banking, and the Federal Reserve	29
22	Monetary Policy	30
23	Inflation, Disinflation, and Deflation	31
24	Crises and Consequences	32