



## SAINT LOUIS UNIVERSITY, MADRID CAMPUS

Faculty of Business Administration & Economics

### 1 Course Information

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Course Title: Principles of Economics  
Course Number: ECON-1900  
Semester: Spring 2018  
Section: M01  
Prerequisite: MATH-1200  
Credit Hours: 3  
Meeting Day(s): Monday/Wednesday/Friday  
Meeting Time(s): 11:00 – 11:50  
Room: PRH-16

### 2 Instructor Information

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Name: David Howden  
E-mail: [david.howden@slu.edu](mailto:david.howden@slu.edu)  
(please use the prefix “ECON1900” to start the subject line in all e-mails pertaining to this class. For example: “ECON1900 – I will be absent on Friday”)  
Office Location: PAH, Attic  
Office Hours: Monday 15:00-18:30, and Tuesday/Thursday, 14:00-17:30  
Contacting me: First, ask questions in class (it helps and others will likely have the same questions). Second, come see me during my office hours as listed above. Third, if neither of these options is possible, please send me an e-mail and alternative arrangements can be decided on.

### 3 Textbook and Other Instructional Material

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Required Reading: *Economics*, 3<sup>rd</sup> edition. N. Gregory Mankiw and Mark P. Taylor. 2014. South-Western.  
Supplements: Occasional papers will be given to you. These will be delivered to you in class, and will be used for discussion purposes to explain classroom concepts in the context of the Spanish/Global economy.

## 4 Course Description

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Economics is the study of how individuals, firms, and markets make decisions when faced with situations of scarcity. This course will provide an introduction to the economic approach to analyzing the choices and resultant decisions under these conditions. Applying broader economic principles, we will see the consequences and repercussions of free trade and globalization, sources of unemployment, the role and effects of taxes in the economy, and the function of government intervention. Setting these principles against the backdrop of the Spanish and global economies, we will learn how economics provides useful tools for analyzing the world in which we produce and consume.

## 5 Course Outline

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The course is divided into three sections. The first will introduce the economic problem, several basic and critical economic principles, and demonstrate how the market allocates resources between participants. The second will focus on *microeconomics* – the study of individual behavior by both consumers and producers within the marketplace. The third section will focus on *macroeconomics* – the study of the larger aggregate economy, involving such issues as gross domestic product (GDP), unemployment, inflation, and economic growth.

## 6 Learning Objectives

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After successfully completing *Principles of Economics*, students will be able to:

1. Apply concepts of opportunity cost and marginal analysis.
2. Explain how the market system operates in response to changes to demand, supply, and market equilibrium.
3. Define, calculate, and interpret elasticities of supply and demand.
4. Apply market and welfare analysis to examine the qualitative effects of changes in market conditions, government policies such as price controls, taxes and externalities/public goods.
5. Demonstrate understanding of measurement of macroeconomic concepts of GDP and economic growth, inflation and unemployment.

## 7 Course Requirements

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Grading: Letter grades are based on a 100 percent grading scale. The percentage you earn determines your course letter grade (i.e., your “final grade” in this course).

Grading Scale: A mark of  $x$  on an examination or assignment will result in a(n):

$90.0 \leq x < 94.9 = A-$	$95.0 \leq x \leq 100 = A$	
$80.0 \leq x < 82.9 = B-$	$83.0 \leq x < 86.9 = B$	$87.0 \leq x < 89.9 = B+$
$70.0 \leq x < 72.9 = C-$	$73.0 \leq x < 76.9 = C$	$77.0 \leq x < 89.9 = C+$
	$60.0 \leq x < 69.9 = D$	
	$x \leq 59.9 = F$	

Grade Breakdown:	Midterm Examinations (20% each):	40%
	Final Examination (cumulative):	30%
	Weekly Quizzes:	20%
	<u>Writing Assignment:</u>	<u>10%</u>
	<b>Total:</b>	<b>100%</b>

Midterm Exams: The midterm examinations will be given as closed book, containing questions ranging from multiple choice, short answer and essay (but not easy) questions. The second exam is not cumulative, and so tests only the material covered since the first midterm.

Final Exam: The final examination is cumulative with an emphasis on material covered during the final part of the course.

Quizzes: At the end of each Wednesday class we will have a brief 10 minute quiz. The quiz will test subject matter learnt the previous week. In total this accounts for 20% of your final grade, which makes each quiz worth approximately 1% of your final grade. I will drop your lowest two scores. The quizzes are not meant to be tricky or overly difficult, but to ensure that you are up to date on the course material and allow me to gauge this.

Writing Assignment: One short writing assignment will be assigned during the second half of class. Students will be expected to write a short creative expose on a topic to be determined later, incorporating concepts that they have learned throughout the semester. This assignment will be posted on Blackboard for download.

Late Policy: Midterm and final examinations must be written on their respective dates. No alternative examinations will be scheduled except in the case of excused medical absences. Cases of excused medical absences must be petitioned for through the Chair of the department. Make-up midterms are subject to approval by the professor, the Chair and the Department of Business and Economics. All changes to the final examination must be approved by the Academic Dean.

Attendance: Consistent attendance is strongly encouraged for a thorough understanding of the concepts at hand. Active participation in classroom discussions is an instrumental component of this process. Concepts that are unclear to you personally are likely concerns shared among your peers as well. Economics is not a science which can be learned in isolation quickly prior to being graded. A strong correlation between classroom attendance and participation and course comprehension exists, and will reflect not only in this component of the grading scheme, but also in your examination marks as well. Students will be responsible for all announcements, information, problems or course changes that are made during lecture times. Students who wish to refrain from classroom participation may see me, and alternatives may be arranged.

Please show up to class regularly and promptly. Lateness is not only disruptive, it is inexcusable (unless you have a valid excuse). I make a strong effort to give timely performance in class and expect the same of you.

Warning: If you want to receive a good grade it is vital that you attend class and stay current with the material. If you miss a class for any reason it is up to you to obtain notes through someone else. I am more than happy to discuss economics (topics discussed either in class or ones that have special interest to you). However, do not expect me to repeat or summarize any lectures that you have missed. Average midterm and final examination grades typically fall into the “D” range. To preemptively answer a question that you may have – *yes*, this class is extremely difficult. But hard continual work and dedication can ensure that you are well prepared for examinations when the time comes.

Important Dates: Jan. 21: Last day to drop a class without a grade of W or to add a class.  
Last day to choose audit (AU) or pass/no pass (P/NP) options.  
Mar. 9: Last day to drop a class and receive a grade of W.  
Apr. 4: Registration for fall 2018 semester opens.

## 8 Academic Accommodations and Learning Resources

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In recognition that people learn in a variety of ways and that learning is influenced by multiple factors (e.g., prior experience, study skills, learning disability), resources to support student success are available on campus. Students who think they might benefit from these resources can find out more about:

1. Course-level support (e.g., faculty member, departmental resources, etc.) by asking your course instructor.
2. University-level support (e.g., tutoring/writing services, Disability Services) by visiting the Academic Dean's Office (San Ignacio Hall) or by going to [http://spain.slu.edu/academics/learning\\_resources.html](http://spain.slu.edu/academics/learning_resources.html).
3. Students with a documented disability who wish to request academic accommodations **must** contact Disability Services to discuss accommodation requests and eligibility requirements. Once successfully registered, the student also **must** notify the course instructor that they wish to access accommodations in the course. Please contact Disability Services at [disabilityservices-madrid@slu.edu](mailto:disabilityservices-madrid@slu.edu) or +915 54 58 58, ext. 230 for an

appointment. Confidentiality will be observed in all inquiries. Once approved, information about the student's eligibility for academic accommodations will be shared with course instructors via email from Disability Services. For more information about academic accommodations, see "Student Resources" on the SLU-Madrid webpage.

*Note:* Students who do not have a documented disability but who think they may have one are encouraged to contact Disability Services.

## **9 Academic Integrity**

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*Academic integrity is honest, truthful and responsible conduct in all academic endeavors.* The mission of Saint Louis University is "the pursuit of truth for the greater glory of God and for the service of humanity." Accordingly, all acts of falsehood demean and compromise the corporate endeavors of teaching, research, health care and community service via which SLU embodies its mission. The University strives to prepare students for lives of personal and professional integrity, and therefore regards all breaches of academic integrity as matters of serious concern.

The governing University-level Academic Integrity Policy can be accessed on the Provost's Office website at: [http://www.slu.edu/Documents/provost/academic\\_affairs/University-wide%20Academic%20Integrity%20Policy%20FINAL%20%206-26-15.pdf](http://www.slu.edu/Documents/provost/academic_affairs/University-wide%20Academic%20Integrity%20Policy%20FINAL%20%206-26-15.pdf).

Additionally, SLU-Madrid has posted its academic integrity policy online: <http://www.slu.edu/madrid/academics>.

As a member of the University community, you are expected to know and abide by these policies, which detail definitions of violations, processes for reporting violations, sanctions and appeals.

## **10 Student Outcome Assessment**

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Saint Louis University-Madrid Campus is committed to excellent and innovative educational practices. In order to maintain quality academic offerings and to conform to relevant accreditation requirements, we regularly assess our teaching, services, and programs for evidence of student learning outcomes achievement. For this purpose we keep on file anonymized representative examples of student work from all courses and programs such as: assignments, papers, exams, portfolios, and results from student surveys, focus groups, and reflective exercises. *Thus, copies of your work for this course, including any exams, assignments and/or submitted papers may be kept on file for institutional research, assessment and accreditation purposes.* If you prefer that Saint Louis University-Madrid Campus does not keep your work on file, you will need to communicate your decision in writing to your professor.

## **11 Title IX**

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Saint Louis University and its faculty are committed to supporting our students and seeking an environment that is free of bias, discrimination, and harassment. If you have encountered any form of sexual misconduct (e.g. sexual assault, sexual harassment, stalking, domestic or dating violence), we encourage you to report this to the University. If you speak with a faculty member

about an incident of misconduct, that faculty member must notify SLU's Title IX deputy coordinator, Marta Maruri, whose office is located on the ground floor of Padre Rubio Hall, Avenida del Valle, 28 ([mmaruri@slu.edu](mailto:mmaruri@slu.edu); 915-54-5858 ext. 213) and share the basic fact of your experience with her. The Title IX deputy coordinator will then be available to assist you in understanding all of your options and in connecting you with all possible resources on and off campus.

If you wish to speak with a confidential source, you may contact the counselors at the SLU-Madrid's Counseling Services on the third floor of San Ignacio Hall ([counselingcenter-madrid@slu.edu](mailto:counselingcenter-madrid@slu.edu); 915-54-5858 ext. 230) or Sinews Multipletherapy Institute, the off-campus provider of counseling services for SLU-Madrid ([www.sinews.es](http://www.sinews.es); 91-700-1979) To view SLU-Madrid's sexual misconduct policy and for resources, please visit the following web address: [www.slu.edu/Documents/Madrid/campus-life/SLUMadridSexualMisconductPolicy.pdf](http://www.slu.edu/Documents/Madrid/campus-life/SLUMadridSexualMisconductPolicy.pdf)

## 12 Reading Schedule

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Please complete all the following readings prior to each class. We may progress slower or faster than the following outline, hence, all dates are subject to change. Examination dates are finalized. Supplementary readings may be assigned prior to each class to aid in the following class' discussion.

### Week 1: Introduction

January	10	Wednesday	Introduction
January	12	Friday	Chap. 1

### Week 2: Thinking Like an Economist

January	15	Monday	Chap. 1
January	17	Wednesday	Chap. 2
January	19	Friday	Chap. 2

### Week 3: Interdependence and Gains from Trade

January	22	Monday	Chap. 3
January	24	Wednesday	Chap. 3
<b>January</b>	<b>26</b>	<b>Friday</b>	<b>No class</b>

### Week 4: The Market Forces of Supply and Demand

January	29	Monday	Chap. 3
January	31	Wednesday	Chap. 4
February	2	Friday	Chap. 4

### Week 5: Elasticity and Its Application

February	5	Monday	Review for midterm 1
<b>February</b>	<b>7</b>	<b>Wednesday</b>	<b>Midterm 1 (in class)</b>
February	9	Friday	Chap. 5

### **Week 6: Supply, Demand and Government Policies**

February	12	Monday	Chap. 5
February	14	Wednesday	Chap. 5
February	16	Friday	Chap. 6

### **Week 7: Consumers, Producers and the Efficiency of Markets**

February	19	Monday	Chap. 6
February	21	Wednesday	Chap. 6
<b>February</b>	<b>23</b>	<b>Friday</b>	<b>No class</b>

### **Week 8: Consumers, Producers and the Efficiency of Markets**

February	26	Monday	Chap. 7
February	28	Wednesday	Chap. 7
March	2	Friday	Chap. 7

### **Week 9: Application: The Costs of Taxation**

March	5	Monday	Chap. 7
March	7	Wednesday	Chap. 8
March	9	Friday	Chap. 8

### **Week 10: Application: International Trade**

March	12	Monday	Chap. 8
March	14	Wednesday	Chap. 9
March	16	Friday	Chap. 9

### **Week 11: Externalities**

March	19	Monday	Review for midterm 1
<b>March</b>	<b>21</b>	<b>Wednesday</b>	<b>Midterm 2 (in class)</b>
March	23	Friday	Chap. 10

### **Week 12: Semana Santa**

<b>March</b>	<b>26</b>	<b>Monday</b>	<b>No class</b>
<b>March</b>	<b>28</b>	<b>Wednesday</b>	<b>No class</b>
<b>March</b>	<b>30</b>	<b>Friday</b>	<b>No class</b>

### **Week 13: Public Goods and Common Resources**

April	2	Monday	Chap. 11
April	4	Wednesday	Chap. 11
April	6	Friday	Chap. 11

### **Week 14: Measuring a Nation's Income**

April	9	Monday	Chap. 11
April	11	Wednesday	Chap. 23
April	13	Friday	Chap. 23

**Week 15: Measuring a Nation's Income**

April	16	Monday	Chap 24
April	18	Wednesday	Chap 24
April	20	Friday	Chap 24

**Week 16: Measuring the Cost of Living**

April	23	Monday	Chap. 29
April	25	Wednesday	Chap. 30
April	27	Friday	Chap. 30

**Week 17: The Monetary System**

May	30	Monday	Wrap up and review for final examination <b>Assignment due (in class)</b>
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<b>May</b>	<b>8</b>	<b>Tuesday</b>	<b>Final Exam (9:00-12:00, in class)</b>
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**\*\* End of semester \*\***