

(Tentative) Online Micro- and Macroeconomics Introductory Course

The Institute for International Economic Policy offers this online (non-credit) program designed to give students a background in introductory economics. The program combines two separate online courses organized by the Elliott School and takes a total of ten weeks over the summer.

The first five weeks is focused on microeconomics. After a week break, the program starts again with a focus on macroeconomics.

No academic credit is offered for this program. However, successful completion of this program can satisfy the Elliott School microeconomics prerequisites requirement. (See below for grading criteria.)

The program has no economics prerequisites. The course does not use calculus but basic knowledge of algebra is assumed. (Students will have access to videos for a review of needed math). The program will include a combination of streaming pre-recorded lectures using “vimeo.com”, weekly live online office hours, weekly homework assignments, and two.

Students will have significant flexibility on when they complete activities. However, there are final due dates for homework and quizzes to help ensure that students make steady progress.

The material covered is used extensively throughout required Elliott School economics courses (e.g. Econ 6280 (Survey of International Economics) and 6250 (Survey of Development Economics)) as well as other elective coursework in economics. Two critical aspects to know about successful participation:

- Students must have regular and reliable access to a high-speed Internet connection in order to watch lecture videos as well as access written materials, homework and quizzes.
- Students must submit all assignments as a single PDF file. There are free smartphone apps that allow you scan your assignments if you not have access to a scanner (e.g. Tiny Scanner).
- Students must receive at least 70 percent for each part of the course to satisfy the economics prerequisite.

Overview

The first five weeks is focused on microeconomics, which is the study of how consumers, workers, and firms make “optimal” choices with limited resources. This analysis takes place in a “market,” where prices of goods and services are critical when people decide how much to buy, how much to sell, where to work, and how many people a firm will hire. We will also develop basic tools used in public policy to understand for example, the economic impact of taxes, subsidies, international trade, and international economic development programs.

The second part focus on macroeconomics, which is the study of the economy as a whole. Topics include how to measure economic activity (e.g. economic growth, unemployment and inflation) and the role of the financial system (e.g. the money and bond markets) in a modern economic

system. Macroeconomics also focuses on possible government policy responses to economic downturns and inflation.

Both parts of the course have supplementary (non-graded) material that will be very useful for later coursework but not formally part of the assessment for this course.

Most of the material in this program will be delivered through online recorded lectures as well as lecture notes and assignments in a recommended, though not required, textbook (Greg Mankiw's *Principles of Economics*---older editions will suffice). Online office hours each Saturday and Sunday.

- Weekly problem sets will be assigned along with answer keys distributed after the due date.
- Four quizzes will be required over the ten week period. Each will be open-book and submitted electronically.

Program Prerequisites

- No background in economics is necessary.
- This program (and most economics coursework at the Elliott School) uses relatively simple math concepts (e.g. slope of a line, ratios, areas of triangles and rectangles, equations of a line, reading and understanding graphs). No calculus is used.
- It is essential that students be willing to think abstractly and further develop strong analytical thinking.
- No statistical analysis will be used

Program Structure

There will be multiple sections of the program

Pre-Program: Students should complete the math review and videos about economic jargon before the program starts. This material simply serves as background; no graded work will be assigned during this period.

Part 1: Fundamentals of Microeconomics (approximately five weeks)

Part 2: Fundamentals of Macroeconomics (approximately five weeks)

Strategy to Approach Material.

This program will be intensive for many students. Do not fall behind; you will be hard pressed to catch up. Students should plan on watching about four hours of lecture per week along with approximately four more hours on reading assignments, homework assignments, and preparing for quizzes. This obviously can vary enormously across students who all learn in different ways.

Textbook: No textbook is required for this course but Gregory Mankiw's *Principles of Economics* is highly recommended. Readings from the 7th edition will be noted throughout. This is an older edition; other editions should be fine.

Assessment of Student Progress: Students must achieve at least 70 percent of all possible points for both parts in order to satisfy the Elliott School economics prerequisite requirement.

- Homework (33 percent of total grade): Students will receive credit for any homework submitted that shows a serious effort at completing each part of the homework. These will be distributed on a weekly basis after the program begins.
- Four Quizzes (64 percent of total grade): Students will submit each quiz electronically before assigned final dates.

Signing Up for Online Office Hours

We will circulate a “doodle” signup for office hours. (See www.doodle.com if you would like to get a sense of this.) This will help organize the office hours since many people may participate at the same time. Please let us know if you cannot make the office hours the day before the event so that we know who cannot participate. This is simple courtesy. See class schedule below for specific dates and times.

Academic Integrity. This program is being offered to help students prepare for their required coursework in economics. Any infraction of academic integrity (collaborating with another person on a quiz or copying someone else’s work) simply hurts the student. All students must use this material in other courses; “cheating” only hurts the student himself or herself.

Students are not allowed to share this material with others who have not paid for the program.

Course Topics

Pre-course Preparation: Students are encouraged to view the math review and economic jargon/terminology videos located under Modules 0.1 and 0.2 on the coursesites.com website.

Part 1: Microeconomics

Week 1:

Module 1: Course Introduction

Module 2: Economics of Consumer Behavior---Demand Curves

Week 2:

Module 3: Production Costs and Firm Behavior

Module 4: Monopoly and Oligopoly

Week 3:

Module 5: “Perfect Competition” and Supply Curve

Module 6: Market Adjustment to Shocks; Welfare Analysis

Week 4:

Module 7: Government Intervention in Markets I (Taxes and Subsidies)

Week 5:

Module 8: Market Failure 1 (Externalities)

Module 9: Markets for Factors of Production: Labor and Capital Markets

Part 2. Macroeconomics Fundamentals

Week 1:

Module I: An Introduction to Macroeconomics

Module II: Measuring Economic Activity

Week 2:

Module III: Measuring Change in the Cost of Living

Module IV: Aggregate Demand and Aggregate Supply

Week 3:

Module V: Financial Intermediaries (Money and Bond Markets)

Module VI: Labor Markets

Week 4:

Module VII: Macroeconomic Policy Tools

Week 5:

Module VIII: Aggregate Demand and Aggregate Supply (with Changing Prices)

Module IX: Policy Applications of Aggregate Demand and Aggregate Supply