ECON 210 Section 01  

Principles of Economics  
Time: MTuWThF 0815-0905  
Room: TJ Day 108

Instructor: Eric Schuck, Ph.D.  
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Office Hours: 0930-1030 MTuWTh  
1400-1530 MW  
0915-1100 F  
1300-1430 F  
By Appointment

Textbook: Essentials of Economics, 2nd Ed.  
Brue, McConnell and Flynn  

Selected Readings and Handouts provided by the Instructor

Course Description: Economics is the study of choices. It analyzes how individuals and firms make decisions about what goods and services should be produced, how they should be produced, who should receive them, and how they should be distributed. It also examines how these smaller decisions influence larger units of the economy, whether they are markets, countries, or regions.

Linfield Curriculum: This course satisfies the Individuals, Systems, and Society (IS) and the Quantitative Reasoning (QR) modes of inquiry in the Linfield Curriculum. As outlined in the Linfield College 2010-2011 Catalog, pp. 6-7, this course will develop the student’s ability to do the following:

Individuals, Systems, and Society:  
1) Think critically about the ways that society affects individual behavior and individual behavior affects society  
Through participation in lectures, completing examinations, completing homeworks, and participating in classroom discussion, students will learn how social and cultural systems regarding the use and disposition of productive resources affect how individuals answer the basic economic questions of what is produced, how much is produced, to whom and how is it distributed, and at what cost (in both an accounting and social sense). Specific attention will be paid to trade-offs between private and social measures of welfare and between notions of economic efficiency versus economic equity.

2) Understand the relationships among individual, systemic, and social processes  
Through participation in lectures, completing examinations, completing homeworks, and participating in classroom discussion, students will learn how different societies configure themselves to produce and to distribute goods and services for the benefit of the individuals living within those societies. Differences in levels and types of production resulting from different economic systems will then be discussed and compared.

3) Articulate how key theoretical principles can be used to explain individual and social
processes, inform public policy and/or develop practical approaches to human problems across regional, national, and/or global contexts.

Through participation in lectures, completing examinations, completing homeworks, and participating in classroom discussion, students will examine how different systems of incentives and property rights lead to different methods of production, distribution, and output across different societies. Through completing the mock letter to the editor project, students will demonstrate the ability to extract economic explanations for observed events that are consistent with economic theory, and to make policy suggestions or recommendations for reducing market failures or improving market efficiency and equity, where necessary.

**Quantitative Reasoning:**

1) **Pose questions involving quantitative relationships in real-world contexts by means of numerical, symbolic, and/or visual representations.**

Through lectures, examinations, and homework assignments, students will learn how to represent complex interactions between producers and consumers in graphical forms. The importance and distinctions between alternative graphical representations and their implications for underlying firm and consumer behavior will also be explored.

2) **Analyze problems by discussing models; making appropriate assumptions; and deducing consequences or making predictions.**

Through examination of graphs representing differing levels of market aggregation and different assumptions regarding market power and information, students will learn how different market structures lead to different outcomes in terms of price, production levels, and distribution of goods and services. Students will then learn how to predict or to qualify market outcomes given different sets of institutional settings and informational constraints.

3) **Understand the uses and constraints of various representations of quantitative information.**

Through examination of graphs representing consumers and producers with varying levels of information, differing levels of property rights, and alternative levels of market power, students will learn under what circumstances economics can and cannot predict expected production, consumption, and distribution outcomes and under what circumstances markets will require government intervention to avoid socially undesirable outcomes.

4) **Communicate and critique quantitative arguments.**

Through completion of the letter to the editor project, students will be asked to examine real world events, to provide competing economic interpretations of those events, and to make policy suggestions regarding intervention by government into markets. Students will be asked to assess these policies in terms of their ability to correct market failures, the likelihood of creating government failure, and their relative effectiveness in addressing socially undesirable outcomes as measured by cost efficiency or distributional equity.

**Pre-Requisites:** Successful completion of the College basic math entrance requirement.

**Course Objective:** At the end of this course, students should have a basic understanding of both micro- and macro-economics. Students will understand the core concepts of micro-economics, such as how rational self-interest and incentives determine what, how, and why goods are produced and distributed, and how large-scale economic problems differ from the problems of individuals and firms.

While study will be focused on the core principles of economics, students will also develop the following general proficiencies:

1) **Gain access to and display command of economic knowledge.** Through the completion of the assigned readings and writing project, students will be required to locate and utilize basic public
sources of economic data and information. Through the completion of examinations, quizzes, the letter to the editor project, and participation in class discussions, students will be required to explain and apply basic economic principles, identify economic policy options, and synthesize economic theories as they apply to both micro- and macro-economic policy;

2) Utilize economic knowledge to explain economic issues. Through completion of the letter to editor project, students will required to read, interpret and analyze information pertaining to economic policy problems in the popular press and demonstrate the ability to associate concepts from class with the world at large;

3) Create new economic knowledge. Through completion of the letter to the editor project, students will identify economic policy problems in the popular press, suggest potential policy solutions, and briefly explain the relative merits and potential problems associated with the suggested policy options.

**Tentative Course Outline:**

**INTRO TO ECONOMICS**
1. The Basics of Choice  
   READ: BMF, Ch 1
2. Markets as a System  
   READ: BMF, Ch 2

**MICROECONOMICS**
3. Basic Supply and Demand  
   READ: BMF, Ch 3
4. Elasticities  
   READ: BMF, Ch 4
5. When Markets Fail  
   READ: BMF, Ch 5
6. Accounting Vs. Economic Costs  
   READ: BMF, Ch 6
7. Pure Competition  
   READ: BMF, Ch 7
8. Pure Monopoly  
   READ: BMF, Ch 8
9. Between Pure Comp and Monopoly  
   READ: BMF, Ch 9

**MACROECONOMICS**
10. Basics of Macro  
    READ: BMF, Ch 12 and Ch 13
11. Aggregate Demand and Supply  
    READ: BMF, Ch 14
12. Basics of Fiscal Policy  
    READ BMF, Ch 15
13. Basics of Money and Monetary Policy  
    READ: BMF, Ch 16 and Ch 17
14. Basic International Trade  
    READ: BMF, Ch 18

**Course Evaluation:** Grades in the course will be determined through a combination of in-class quizzes, midterm examinations, and an economics writing project. Weighting will be as follows:

Letter to the Editor Project 20%  
Short Quizzes/Homeworks 20%  
Long Quizzes 20%  
2/3 Exams 40%

The midterm exams will be announced two weeks prior to the date upon which the exam will be held. Quizzes will be of two types. The first type, to be conducted either in class or as take home work, will be short quizzes designed to provide rapid feedback to both the student and the instructor. These will be conducted roughly biweekly. The second type of quiz will be longer, and will be carried out one week prior to an exam. These will be similar in design to the
upcoming exam, and will serve as a pretest for the exam. The letters to the editor project will be explained in more detail later, but will involve writing two mock letters to the editor discussing an economic policy problem as identified in a newspaper and then providing a brief overview of this issue to the class. Final grades will be determined as follows: 100% \( \geq A \geq 90\% \); 90 \( > B \geq 80\% \); 80 \( > C \geq 70\% \); 70 \( > D \geq 60 \); 60 \( > F \). This grade distribution may use +/-’s or be moved downward at the instructor’s discretion.

**COMMENTS:**
1. The final exam is scheduled for this classroom on 12 December at 0800.
2. Late work will be accepted only with the prior approval of the instructor. Exceptions will be made for emergencies and military exigencies, but it is the student’s responsibility to notify the instructor in a timely and efficient manner. Unless otherwise indicated, all work is due no later than 2359 on the assigned due date.
3. Course material will be provided via the class e-mail list and potentially Blackboard when and as it is completed. Do not ask for course material prior to the topic being covered in lecture. Lecture material is intended to supplement and to clarify materials in the book and is not a substitute for the book.
4. Learning is a collaborative process and you are encouraged to cooperate with your fellow students in your coursework where appropriate. However, you should be aware that this course strictly adheres to the college policy on academic honesty, as published in the Linfield College Course Catalog. This means you are ultimately responsible for your own work and neither cheating nor plagiarism, as defined in the College Catalog, will be tolerated. Incidents of cheating or plagiarism will be reported to the relevant College authorities, will result in a failing grade for the assignment or evaluation in question, and may result in a failing grade for the course. The instructor reserves the right to keel haul offenders.
5. Dr. Schuck is an officer in the Navy Reserve. At times, military requirements will by necessity affect the rhythm of the class. Your forbearance is greatly appreciated.
6. Students with disabilities are protected by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. If you are a student with a disability and feel you may require academic accommodations contact Cheri White, Assistant Director of Learning Support Services (LSS), within the first two weeks of the semester to request accommodations. LSS is located in Walker 124 (1 503-883-2444). You are also strongly encouraged to communicate with the instructor about any accommodations and/or any special needs you may need during your time in this class.
7. Dr. Schuck spent most of the last year constantly carrying a pistol and a cell phone. Neither one of those items will be necessary in this classroom. Weapons on campus are a violation of college policy and cell phones are just plain annoying. Cell phones and/or other electronic communications devices which are not required for classroom learning must be turned off. Failure to comply with this policy may lead to confiscation and/or destruction of offending devices, depending upon the instructor’s mood.
8. If you matriculated into the College in Fall 2010 or later, in order to receive credit within the Linfield Curriculum for this course, you must complete the electronic submission of exemplar work and supporting descriptions by the last day of finals week, as discussed in the Linfield College Course Catalog.