Introduction to Economics (ECON 120, Summer I. 2005)
University of Hawaii at Manoa

Instructor: Stephen Ra
Time: MTWRF 9:00-10:15 A.M.
Classroom: BUSAD G-102
Office Hours: MWF 10:30-11:30 A.M. or by appointment
Office: Saunders Hall #538
Phone: 956-8347
Email: heeryang@hawaii.edu
Course Website: http://www2.hawaii.edu/~heeryang

Text Book

Course Description and Goal
This class is an intensive summer course in economics, a course that covers the essential principles and fundamentals of economics. We learn how economic analysis can help us understand why individuals, business firms and governments behave as they do. This course also examines: how levels of output, employment, interest rates, and prices in a nation are interrelated; what causes these levels to change and the use of policy measures to regulate them. The effects of fiscal and monetary policy on the economy, and effects of an open, international economy will also be examined. Students will be encouraged to have the ability and insight to explain various economic phenomena and problems using the economic principles and tools throughout the session.

Requirements and Grades
1. Midterm Exam 30%
2. Final Exam 40%
3. Pop Quizzes 10%
4. Homework 10%
5. Attendance 10%
Exam questions will consist of multiple choices. The midterm and final exams must be taken at the dates and time given in the schedule below. The final exam is comprehensive. No make-up exams will be given unless you can provide legitimate medical emergency documents.

There will be five pop quizzes (unannounced) throughout the semester, and they are 10% of your grade. Missing class is not a good idea since there will be NO MAKE-UP quizzes. Quizzes may be given at the beginning of the class or at the end of the class. You are responsible for all work missed due to absences.

Also, five homeworks will be assigned. Due date will be announce when the homework is assigned. Homework is due at the beginning of the class and NO late homework will be accepted (there are no exceptions). You will be responsible to read the assigned chapters and do assigned homework problems from study guide. Economics is best learned through solving and analyzing problems.

Regular attendance and participation is expected. Students are required to sign up every class. Attendance and participation will be composed of 10% of your grade.

**Disability Statement**
If you feel you need reasonable accommodations because of the impact of a disability, please 1) contact the KOKUA Program (V/T) at 956-7511 or 956-7612 in room 013 of the QLCSS; 2) speak with me privately to discuss your specific needs. I will be happy to work with you and the KOKUA Program to meet your access needs related to your documented disability.
# Course Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Text Chapter</th>
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<tbody>
<tr>
<td></td>
<td><strong>Part 1. Introduction</strong></td>
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<tr>
<td>May</td>
<td>23  Course Overview</td>
<td>1</td>
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<tr>
<td></td>
<td>Ten Principles of Economics</td>
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<tr>
<td>May</td>
<td>24  Thinking Like an Economist</td>
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<td>May</td>
<td>25  Interdependence and the Gains from Trade</td>
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<td></td>
<td><strong>Part 2. Supply and Demand I: How the Market Works</strong></td>
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<tr>
<td>May</td>
<td>26  The Market Forces of Supply and Demand</td>
<td>4</td>
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<tr>
<td>May</td>
<td>27  Elasticity and Its Application</td>
<td>5</td>
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<tr>
<td>May</td>
<td>30  NO CLASS (Memorial Day)</td>
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<tr>
<td>May</td>
<td>31  Supply, Demand and Government Policies</td>
<td>6</td>
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<td></td>
<td><strong>Part 3. Supply and Demand II: Market and Welfare</strong></td>
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<tr>
<td>June</td>
<td>1  Consumers, Producers and the Efficiency of Markets</td>
<td>7</td>
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<tr>
<td>June</td>
<td>2  Application: The Costs of Taxation</td>
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<tr>
<td>June</td>
<td>3  Application: International Trade</td>
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<td><strong>Part 4. The Economics of the Public Sector</strong></td>
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<tr>
<td>June</td>
<td>6  Externalities</td>
<td>10</td>
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<tr>
<td>June</td>
<td>7  Public Goods and Common Resources</td>
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<td><strong>Part 5. Firm Behavior and the Organization of Industry</strong></td>
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<td>June</td>
<td>8  The Cost of Production</td>
<td>12</td>
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<tr>
<td>June</td>
<td>9  Firms in Competitive Markets</td>
<td>13</td>
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<tr>
<td>June</td>
<td>10  NO CLASS (King Kamehameha Day)</td>
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<tr>
<td>June</td>
<td>13  Monopoly</td>
<td>14</td>
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<tr>
<td>June</td>
<td>14  REVIEW</td>
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<tr>
<td>June</td>
<td>15  MID TERM EXAM</td>
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## Part 6. The Data of Macroeconomics

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<thead>
<tr>
<th>June</th>
<th>16</th>
<th>Measuring a Nation’s Income</th>
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<tr>
<td>June</td>
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<td>Measuring the Cost of Living</td>
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## Part 7. The Real Economy in the Long Run

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<thead>
<tr>
<th>June</th>
<th>20</th>
<th>Production and Growth</th>
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<tbody>
<tr>
<td>June</td>
<td>21</td>
<td>Saving, Investments, and the Financial System</td>
</tr>
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<td>June</td>
<td>22</td>
<td>The Basic Tools of Finance</td>
</tr>
<tr>
<td>June</td>
<td>23</td>
<td>Unemployment and Its Natural Rate</td>
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## Part 8. Money and Prices in the Long Run

<table>
<thead>
<tr>
<th>June</th>
<th>24</th>
<th>The Monetary System</th>
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<tbody>
<tr>
<td>June</td>
<td>27</td>
<td>Money Growth and Inflation</td>
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## Part 9. Short-Run Economic Fluctuations

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<thead>
<tr>
<th>June</th>
<th>28</th>
<th>Aggregate Demand and Aggregate Supply</th>
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<tbody>
<tr>
<td>June</td>
<td>29</td>
<td>The Influence of Monetary and Fiscal Policy on Aggregate Demand</td>
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<thead>
<tr>
<th>June</th>
<th>30</th>
<th>REVIEW</th>
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<tbody>
<tr>
<td>July</td>
<td>1</td>
<td>FINAL EXAM</td>
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