Welcome to Economics!

This class will give you a flavor of what my field is all about. What is economics, and how is it related to the other social sciences? What are the major questions that economists study, and what are our best current answers to those questions? What are economic models, and how much can we trust their predictions? We will be discussing these questions, and many others.

What will I get from this Class?

Economics majors: This is the first class in the core economics sequence at BC. It will (hopefully) make you excited about your field, as well as offer a solid grounding in the mathematical tools needed for higher level classes.

CSOM majors: This class, along with EC132, are the two required economics classes in the CSOM core. You will learn what economists have to say about firms, markets, and consumers. You’ll also brush up on your quantitative and analytical skills.

Other Students: You will be introduced to a unique way of looking at world and understanding society. However, you should be prepared to do some math. Note that this class fulfills the social science core requirement and can also counts as an arts and science elective.

How is this class graded?

We will be using a points-earned system to track your scores. This makes it easy for you to know your exact grade at any given time. Your final grade will be determined simply by dividing the number of points you have earned on each of the class assignments by the total number of points possible.

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<thead>
<tr>
<th>Assignment</th>
<th>Points Possible</th>
<th>Pct. of Final Grade</th>
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<tbody>
<tr>
<td>Homework</td>
<td>20 points each</td>
<td>30%</td>
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<td></td>
<td>(8 in total)</td>
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<tr>
<td>Exam 1</td>
<td>100 points</td>
<td>20%</td>
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<tr>
<td>Exam 2</td>
<td>100 points</td>
<td>20%</td>
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<tr>
<td>Final Project</td>
<td>100 points</td>
<td>20%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>50 points</td>
<td>10%</td>
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For example, if you get full credit on each homework, a 70 on 85 on your exams, a 90 on your final project and full class participation points, your final grade would be: (20*8 + 70 + 85 + 90 + 50)/510, or 89%. Some assignments will include the possibility of earning extra-credit. Note that homework constitutes a larger portion of your grade than any other component, including the exams.

Exams and Final Project

- Exam 1 - Week of February 2th
- Exam 2 - Week of April 10th
- Final Project Due: Thursday, May 9th, 12:30 PM

Note: the dates above are subject to slight adjustment depending on how quickly we move through the material.

We will have two exams this semester; the first will cover material on consumer choice theory, and the second will cover material concerning the theory of the firm and market structures. Don't think of these exams as a midterm and final; they are equally weighted and designed to assess your knowledge of our first three units. There will be no final following our second exam; instead, you will be asked to submit a final class project, working in groups of two. This project will involve developing an economic model that pertains to a subject of your choosing. I'll be providing you with more details about this project as the semester progresses.

Class Overview

Unit 1: A Mathematical Model of Preference and Choice

The first portion of our class will devoted to studying the most important model in microeconomics: consumer choice theory. At first, we will learn how this mathematical model of human decision making can help us understand the behavior of consumers. However, we will quickly see that this model goes far beyond shopping at the supermarket; consumer choice theory can be adapted to analyze a wide range of subjects: how many hours people work, how much they save, how many children they bear, and much more.

Unit 2: Firms as Machinery

In our second unit, we will study the behavior of firms. We will see that economists view firms as a kind of profit maximizing machine – an agent that takes raw inputs – labor, factories, resources – and converts them into goods and services. This view will help us understand how much firms choose to produce and how much labor and capital they employ in doing so. Of course, by ignoring the social and
cultural forces that can act within firms, this approach also suffers from serious limitations. We will also be discussing these shortcomings.

Unit 3: Supply, Demand, and the Economy at Large

Economists traditionally divide the economy into two main sectors: consumers, who do the work and buy the goods, and firms, who employ the consumers and make the goods. Having studied both of these sides in isolation, our third unit will discuss how they interact. In particular, we will see how the classic model of supply and demand helps answer one of the most fundamental questions in economics: what determines the price of a good?

Unit 4: Economics in Context

I list this as a fourth unit, but in reality, we’ll be placing economics in context throughout the class. How do the ideas of economists differ from the other social sciences? Can the models that we are learning really be used to describe or predict the real world, and how could we test those predictions? What is capitalism, who are its critics, and what do they have to say?

Academic Integrity

I encourage you to form study groups to discuss class material and reading assignments, but all of your submitted work (problem sets and exams) must be your own. You can review the university’s policy on academic integrity at http://www.bc.edu/integrity.

Accommodations for Disabilities

If you have a disability and will be requiring accommodations for this course, please register with Kathy Duggan (dugganka@bc.edu), Associate Director for Support Services at the Connors Family Learning Center (learning disabilities and ADHD) or Paulette Durrett (paulette.durret@bc.edu), Assistant Dean of Students with Disabilities (all other disabilities). You must be registered to receive proper accommodations.