ECONOMICS 1: INTRODUCTION TO ECONOMICS (CCN: 22303)
Lecture: MW 10:10 - 11:00 a.m., Wheeler Auditorium
Course website: http://www.econ.berkeley.edu/~olney/fall15/econ1/

This syllabus is the contract between you and me. Please read it carefully. "I didn't read the syllabus" is not an acceptable excuse for missing an exam, overlooking a reading, skipping a problem set, and so on. Prof. Olney

Econ 1 is an introductory course in economic principles. The course covers both microeconomics and macroeconomics. Topics include: economic modeling; allocation of resources; firm decision-making; imperfect competition; economic analysis of unemployment, inflation, and economic growth; the role of government in the domestic economy; international finance; and U.S. economic policies of the last quarter century. Primary emphasis is placed upon acquiring skills with which to analyze current economic issues.

Professor's Office Hours
Professor Martha Olney (she, her), 691 Evans Hall, (510) 642-6083, Olney@berkeley.edu, twitter @MarthaOlney #econ1
Drop in: Tuesdays, 3:30-4:30; Wednesdays, 11:30-12:30. Other times by appointment.

Head GSI's Office Hours: Moon Parks (she, her), 548 Evans Hall, headgsi.parks@gmail.com
Drop in: Week of August 24: Wed, 11:30-3:30; Th, 2:00-5:30; Fri 2:00-5:30
Week of August 31: Mon, 2:00-5:30; Tu 12:00-5:30; Wed 8:30-9:30, 11:30-2:00; Th 1:00-5:30; Fri 8:30-1:00
Week of Sept. 7: Tues 1:30-5:30, Wed 8:30-9:30, 11:30-2:00
Week 4 and beyond: Mondays 1:00-3:00

Honor Code
We at UC Berkeley have adopted this Honor Code: “As a member of the UC Berkeley community, I act with honesty, integrity, and respect for others.” Your Econ 1 instructors join you in pledging to adhere to this code.

Staying in the Course and Adding the Course
You must initially attend the section to which you are assigned by Telebears as of August 25. If you do not attend your assigned discussion sections by Tuesday, Sept. 1 and do not contact your GSI or Head GSI Moon Parks to explain your absence, you will be removed from the class. The department relies completely on TeleBears for enrollment purposes. To add the course, check to see which sections have space and then access TeleBEARS. If you are already on the waiting list but want to change your section choice, access TeleBEARS and choose the “change section” option. See Econ 1 Head GSI Moon Parks (548 Evans, headgsi.parks@gmail.com), GSI Coordinator Patrick Lapid (548 Evans, HeadGSI@econ.berkeley.edu), or an Econ Undergrad Advisor (539 Evans, ugrad@econ.berkeley.edu) for help.

Tutoring Center
The Economics Department offers free tutoring. http://econ.berkeley.edu/undergrad/home/economic-answer-center Twitter @CalEconTutoring. A list of tutors-for-hire (about $50/hour) is also available at the Tutoring Center website.

Textbooks and Other Materials
Required: Purchase of an i>clicker. You may buy any version: i>clicker, i>clicker2, or i>clicker+
Required: Economics 1 Class Reader, available from Copy Central, Bancroft Way. (Or download. See course website.)
Required: Regular reading of a first-rate news source (print or online version).

Letter of Introduction
For your second section meeting, please write a one-page letter of introduction of yourself to your GSI. Submit a hard copy at section. Include your preferred name*, your pronouns, and anything about yourself that you would like to share. Please embed a photo of yourself; doing so will help your GSI learn your name. The paper will not be graded nor returned. (*Be sure to set your preferred name in BearFacts too: http://registrar.berkeley.edu/preferred-name.html.)
Contacting You and Us
Prof. Olney and the GSIs use email to contact you. Be sure your email address registered with the University’s CalNet directory is correct, your spam filters are not set too tight, and that your inbox is not full. Emails sent by Prof. Olney and Head GSI Moon Parks are archived at the Announcements tab of http://bcourses.berkeley.edu.

Email sent to Prof. Olney or Head GSI Parks must have “Econ 1” plus a descriptor in the subject line. For instance: “[Econ 1] announcement for digest” or “[econ 1] enrollment question.” Emails must use appropriate grammar and spelling (no txtng) and must be signed with both first and last names. Emails that don’t meet these minimums are immediately deleted.

Piazza
We use Piazza in lieu of emails for questions & answers. Rather than emailing questions to Prof. Olney, the Head GSI, or your own GSI, post your questions on Piazza. Everyone – the instructors and students – then has the opportunity to answer your question. Answers can be edited, wiki fashion. The instructors can give a ‘thumbs up’ to good student answers. Others with the same question can see the conversation and chime in. At the end of the term, students whose questions or answers receive the largest number of “good” votes from classmates and instructors will receive a few extra credit points. If you didn’t receive a welcome email from Piazza, sign up at piazza.com/berkeley/fall2015/econ1.

Announcements Policy
All announcements are sent by Prof. Olney or the Head GSI via email/bCourses announcements tab. No announcements are made in lecture. Some announcements may contain links to additional readings from current news sources. These readings are to be considered required assigned readings for the course; links will be added to the “files” tab of our bCourses page. If you would like to make a written announcement to all Econ 1 students, send it to Prof. Olney for inclusion in her weekly email. Be sure you include a student name and contact info in the announcement. Prof. Olney reserves the right to delete announcements that are not relevant to Econ 1.

Responsibilities — Mine and Yours — and Course Requirements
My (Prof. Olney) responsibilities are to come to class prepared, respond to and encourage questions and other participation insofar as class size permits, oversee grading of problem sets and exams, be available during office hours and for scheduled appointments, and stimulate an enthusiasm for economics and for learning.

Your responsibilities are to attend and participate in lecture two hours per week, bring your i>clicker to lecture, attend and participate in section two hours per week, complete the assigned readings in a timely manner (allowing time to re-read difficult chapters), complete all assignments on time, and take all exams.

Your course grade will be based on your performance on a comprehensive essay & final, two midterm exams, completion of four problem sets and two bCourses quizzes, use of iClicker, and participation in section. You must take the final on Dec. 15 in order to pass this course. Exams cover material from lecture, section, and the assigned readings. The weights that will be used to compute your total point score (from which a letter grade will be determined) and the exam dates are below.

Due Dates and Share of Total Points

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Date</th>
<th>Percent of Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Participation</td>
<td>Throughout term</td>
<td>10 %</td>
</tr>
<tr>
<td>Four Problem Sets &amp; i&gt;clicker</td>
<td>As Noted Below</td>
<td>8 %</td>
</tr>
<tr>
<td>Two bCourses quizzes</td>
<td>As Noted Below</td>
<td>2 %</td>
</tr>
<tr>
<td>Midterm #1</td>
<td>Monday, October 5</td>
<td>20 %</td>
</tr>
<tr>
<td>Midterm #2</td>
<td>Monday, November 9</td>
<td>20 %</td>
</tr>
<tr>
<td>Comprehensive Final Essay</td>
<td>Thursday, December 10, 11:59 p.m.</td>
<td>12 %</td>
</tr>
<tr>
<td>Final Exam</td>
<td>Tuesday, December 15, 11:30 a.m.</td>
<td>28 %</td>
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**i>clickers**

In each lecture there will be questions to answer with your i>clicker. If you answer more than half of that day’s questions, you earn ½ point. It doesn’t matter whether your answer is “correct.” i>clicker points are used to make up for missed points on problem sets. For example, if you earn 33 points on problem sets, you can use 7 of your i>clicker points to bring that up to the maximum of 40 points. The maximum number of points you can use from i>clicker participation is 10 points. For more information about clickers, see the “i>clicker FAQ” on the course website.

**Lab (Discussion Section)**

Section is not a mini-lecture; it is a hub of active learning. Why active learning? Because every bit of research shows that we learn best when we engage in active, not passive, learning. Sections are where you work with the concepts. Think of section as a lab, akin to a chem or physics lab. You will work in small groups, with work to be completed in lab each day. 10% of your course grade (50 points) will depend upon your participation in section. You are required to do three things.

[1] You will be asked to complete a pre-section exercise before each reader article is discussed in section, which will be submitted via bCourses. The pre-section exercise is due at 11:59 p.m. the night before your section. Assignments are available on bCourses. (1 point per pre-section exercise, max of 20 points.)

[2] Twice during the term, you and two partners will make an oral presentation. Both presentations should use powerpoint or equivalent. There are no makeup opportunities for presentations. If you fail to make your presentation on the day you signed up for, you get a 0. If you show up without an electronic presentation, you get a 0.

The first presentation will be based on an article in the reader. You will briefly summarize the article, answer the (b) discussion question, and lead the entire-class conversation on the (c) question associated with the article. Time allotted: no more than 5 minutes. (4 points possible)

The second presentation will be based on a news article you have recently located. In your oral presentation, your group will summarize the article, state the link between the article and what we are covering in Economics 1, and lead your classmates in a brief discussion of two questions that you have written. The article needs to be pertinent to material covered within 2 weeks of your presentation. At least one of your questions must be an exam-like question.

Time allotted for second presentation and discussion period: 6 minutes. Your summary of the article should take no more than 3 minutes. The rest of the time you will be coordinating the discussion. You will be graded on your time management, your ability to engage your classmates in a discussion, the relevance of the article to concepts covered in class, and the quality of the questions you pose. (6 points possible)

[3] Each section, you will do small-group work on problems (“the section exercises”). You may occasionally have in-section quizzes. Your GSI will provide more information in section. Absences result in 0 points for that day. (1 point per day; max of 20 points will be counted although 24 are possible.)

**Problem Sets**

There will be 4 problem sets distributed in lecture and posted on the course website that you are to complete and submit to your GSI. Problem sets answers must be submitted on the provided answer sheet. Problem sets are due at the beginning of section as noted below. Problem sets are worth 10 points each. Late problem sets lose 5 points for every 1 minute - 24 hours they are late. If your problem set is due on Tuesday at 2:10 and you turn it in on Wednesday at 5:00, you get a zero. If it is due at 2:10 and you turn it in at 3:00, you lose 5 points.

- Problem Set #1 Due first section, week of September 14
- Problem Set #2 Due first section, week of September 28
- Problem Set #3 Due first section, week of October 26
- Problem Set #4 Due first section, week of November 30

You may work with other students on the problem sets, but your answers must be in your own words. You may not prepare “group answers” nor post your answer to Piazza. If you copy someone else’s answer or prepare or post group answers, that is cheating. If your problem set is the same as someone else’s problem set, in whole or in part, you both receive a zero (0) regardless of who did the work and who copied. Problem set solutions will be posted on the course website.
Exams
Midterm #1 will be held Monday, October 5, 10:10 - 11:00 in Wheeler Auditorium (and additional rooms). Midterm #1 will cover the material presented in lecture, section, and the assigned readings up to and including Thursday, October 1. Midterm #2 will be held Monday, November 9, 10:10 - 11:00 in Wheeler Auditorium (and additional rooms). Midterm #2 will cover the material presented in lecture, section, and the assigned readings up to and including Thursday, November 5. The comprehensive essay question will be distributed on the last day of class, Wednesday, December 2 and will be due via bCourses by 11:59 p.m. on Thursday, December 10. The final examination will be comprehensive and will cover all material presented in lecture, section, and the assigned readings.

Make-up Exam Policy
There are no scheduled make-up exams. If you experience an emergency that is clearly unforeseeable and unavoidable that prevents your attendance at the exam, you must contact the Head GSI Moon Parks by email (headgsi.parks@gmail.com) before the midterm begins. Explain the situation and provide documentation. Professor Olney and the Head GSI will consider your case and determine whether to offer accommodations.

Student-athletes and musicians are expected to be familiar with the policy on academic conflicts: [http://academic-senate.berkeley.edu/sites/default/files/committees/cep/guidelines_acadschedconflicts_final_2014.pdf](http://academic-senate.berkeley.edu/sites/default/files/committees/cep/guidelines_acadschedconflicts_final_2014.pdf). Notification of scheduled or potential conflicts must be delivered to the Head GSI by the end of the second week of classes.

There is no make-up final. If you miss the final on Tuesday, December 15 with an acceptable excuse covering an unforeseeable and unavoidable event and you were otherwise passing the course, you will take the final with the other Econ 1 students at the end of Spring or Summer 2016. If you can’t take the final as scheduled, don’t take this course!

Grading of Exams
Sample exams are on the course website. All exams are short answer, problems, and essay questions. Exam booklets are provided. No calculators, laptops, phones, or other electronic devices allowed during exams.

Answers are graded solely upon their content and not upon their intent. This means that we don't grade what you “mean to say” but what you actually write (even if you “knew the answer but just couldn’t put it into words”). Moreover, answers that are illegible, rambling, or poorly organized will not receive high marks.

Your work will be graded by your graduate student instructor. Care is taken to ensure that the same quality of work will, at the end of the term, receive the same letter grade, regardless of who graded the work. There is no pre-set or common scale whereby a certain number of points corresponds to a certain letter grade. Different GSIs may have different A, B, C point cut-offs, but the same quality of work will receive the same letter grade for the course, regardless of who graded the work.

There is no fixed curve for this course dictating what share of students will receive what letter grade. A priori, it is theoretically possible for everyone to earn an A ... or a C. However, grade distributions are reasonably stable over time (as the Law of Large Numbers suggests). In the past, about 25-30 percent of the class have received an A of some sort, about 35-45 percent have received a B of some sort, and the remainder have received a C's or below.

This course can be taken Pass/Not Pass if you are otherwise free to do so. P/NP students are expected to do the same work as other students and will receive scores on all assignments. If the course grade is a C- or better, a P/NP student will receive a Pass. P/NP students must take the final in order to pass the course.

Special Accommodations
If you require special accommodations for exams or lecture due to learning or other disability, if you have emergency medical information that you wish to share, or if you need special arrangements in case the building must be evacuated, please speak with Head GSI Moon Parks by September 9. You will ultimately need to obtain the evaluation form from Disabled Students' Program ([http://dsp.berkeley.edu](http://dsp.berkeley.edu), 260 César Chávez Center) which they will send electronically to Professor Olney. Exams for those needing accommodations are proctored by DSP’s Proctoring Service, which requires notice of participants at least two weeks in advance of an exam. Request for exam accommodation must be received and acknowledged by Head GSI Moon Parks before DSP’s own internal deadline for scheduling the proctoring of exams.
Laptop and Cell Phone Policies
No laptops are allowed in lecture unless required by DSP to accommodate disability. iPads and Tablet PCs (laid flat and being used for note-taking) are ok. Cell phones should be turned off and put away in your backpack or bag, not left out on your desk or lap. You may use the calculator function on your smart phone in lecture or lab section during group work.

Academic Honesty Policy
In fairness to students who put in an honest effort, cheaters will be harshly treated. Any evidence of cheating will result in a score of zero (0) on that assignment. Cheating on a midterm or the final exam results in an “F” for the course. Cheating includes but is not limited to bringing written or electronic materials into an exam, using written or electronic materials during an exam, copying off another person’s exam or assignment, allowing someone to copy off of your exam or assignment, and having someone take an exam or assignment for you. Incidences of cheating are reported to Center for Student Conduct, which administers additional punishment.

You may use only one i>clicker during lecture. You cannot click in for a friend. Anyone observed using two i>clickers will have both i>clickers taken away and held by Prof. Olney or Head GSI Moon Parks until both owners come to retrieve them. All points for both i>clickers will be zeroed out for the term.

See also http://sa.berkeley.edu/conduct/students/standards.

Fire Alarm Policy
A truly annoying bad habit at UCB is the pulling of fire alarms by ill-prepared and selfish students who foolishly think their entire future rests on one midterm grade. This crime is a felony, punishable by a fine and time in jail. In addition, anyone caught pulling the alarm will fail the course and is subject to expulsion from the University. If the alarm is pulled during an exam, the class will move outside and finish the exam in the allotted time. In this event, follow the instructions of the GSIs.

FAQ: In what order should I interact with the material?
Answer: Textbook Readings - Lecture - Problem Solving in Section - Reader Assignment - Review.

First exposure: the textbook readings as noted below. Make notes as you read. What is unclear and leaves you with questions? Where have you seen this concept illustrated in the real world? What real world phenomena or events might be understood with the concepts in the reading?

Second exposure: lecture. Take notes as you listen. Listen for answers to the questions you noted as you read the textbook. Ask questions as class time permits. The concepts should be firming up in your head after this second exposure.

Third exposure: problem solving in section. This is your chance to apply the concepts to new and different (often made-up) situations. Pay attention to the concepts themselves. Are you clear on the ideas? If not, ask your group members for their insight, ask your GSI as s/he circulates around the room, or post a question on Piazza. And pay attention to the process you are using as you apply the concepts. What steps do you take when you need to apply economic concepts to a new situation or problem?

Fourth exposure: reader assignment. Now you apply the concepts to a real world situation. How do the economic concepts help explain the real world situation in the article? Are there assumptions we invoked in the textbook/class that are not satisfied in the reader article? If so, what difference does that make?

Fifth exposure: review. Go back to the textbook readings. Have you cleared up any confusions? If not, get together with a study group, post a question on Piazza, or go to office hours. Can you think of other real world situations in which these concepts apply . . . or don’t?
# Course Outline and Reading Assignments

Reading assignments are below. “Micro” or “Macro” refers to the books by Olney. Read the entire chapter, unless pages are indicated. All “Reader” assignments are from the reader available at Copy Central. Reader contents are also listed on the course webpage. Textbooks are also on 2-hour reserve at Moffitt Library.

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<th>Day &amp; Topic</th>
<th>Textbook</th>
<th>Reader assignment</th>
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| Wednesday, August 26  
Organization of Course; Overview; Intro to Economic Models; Production Possibilities Frontier | Micro or Macro (same preliminary chapters are in both), Chapter 1 and 2 (pp. 17-22) | #1, “Economic History: Muddled Models”  
#2, “Why We’re in a New Gilded Age” |
| Monday, August 31  
Opportunity Cost; Economic Growth | Macro, Chapter 5 | #3a, “Bridges to Prosperity”  
#3b, “Young Bridge Engineer” |
| Wednesday, September 2  
Comparative Advantage; Gains from Trade; Economic Systems | Micro, Chapter 2 (pp. 23-end)  
NOTE: Errata sheet on course website | #4, “Spousonomics: Using Economics to Benefit Your Marriage” |
| Monday, September 7 | Labor Day Holiday (no lecture, no section, no office hours) | |
| Tuesday, September 8 at 11:59 p.m. | bCourses quiz covering Chapter 3 due at 11:59 p.m. | |
| Wednesday, September 9  
Model of Supply and Demand | Micro or Macro, Chapter 3 | #5, “Price of Nutella Could Rise”  
#6, “Smart Money Buys Brand X” |
| Monday, September 14  
P.S. 1 due Mon/Tues  
S&D Extensions; Consumer Surplus | Micro, Chapter 4 | #7, “In Praise of Price gouging” |
| Wednesday, September 16  
Elasticity; Profit-Maximization Decisions | Micro, Chapter 4 | #8, “Dynamic Ticket Pricing” |
| Monday, September 21  
Marginal Cost and Marginal Revenue | Micro, Chapter 6 | |
| Wednesday, September 23  
Supply Curve; Profit = 0 in the Long Run | Micro, Chapter 9 (pp. 118-128) | #9a, “Uber’s Surge- Pricing”  
#9b, “Taxi Medallion Prices”  
#9c, “Clashes Erupt Across France”  
#10a, “Striking it Richer”  
#10b, “Middle Class Steadily Eroding”  
#11, “Wealth Inequality Has Widened” |
| Monday, September 28  
P.S. 2 due Mon/Tues  
Income and Wealth Distribution | Micro, Chapter 7 (pp. 92-101) | |
| Wednesday, September 30  
Monopoly; Monopolistic Competition | Micro, Chapter 7 (pp. 118-128) | |
| Monday, Oct. 5, 10:10-11:00 a.m.  
MIDTERM #1 | Watch email for room locations | |
| Wednesday, October 7  
Externalities | Micro, Chapter 8 | #12, “Mexico Sugary Drink Tax” |
| Monday, October 12  
Externalities, continued; Asymmetric Information | Micro, Chapter 8 | #13a, “To Remember a Lecture Better”  
#13b, “Professor: I Banned Laptops” |
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| Wednesday, October 14  
Overview of Macroeconomics | Macro, Preface  
Macro, Chapter 1 (pp. 5-6) | #14a, “How Bad for People of Greece?”  
#14b, “Greek Debt Crisis Explained” |
| Monday, October 19  
Measurement of Total Output (GDP) | Macro, Chapter 4  
Macro, Chapter 6 (pp. 89-97, and 104-105)  
Macro, Chapter 7 (pp. 106-113) | #15, “The Problem with GDP”  
| Wednesday, October 21  
Unemployment and Inflation | Macro, Chapter 6 (pp. 97-105) and Macro, Chapter 7 (pp. 113-127) | #17a, “Wealth Inequality and mpc”  
#17b, “Signs of a Growing Hush”  
#18, “More Services Means Longer Recoveries” |
| Thursday, October 27 at 11:59 p.m.  
bCourses quiz covering Chapter 8 due at 11:59 p.m. | | |
| Wednesday, October 28  
Multipliers | Macro, Chapter 8 (pp. 134-143, 148-end) | #19, “The Ripple Effect” |
| Monday, November 2  
Investment Spending | Macro, Chapter 7 (pp. 127-131) | #20, “How Economic Uncertainty Dulls Investment” |
| Wednesday, November 4  
Open Economy Macroeconomics | Macro, Chapter 7 (pp. 131-end); Chapter 16 (pp. 293-end) | |
| Monday, Nov. 9, 10:10-11:00 a.m.  
MIDTERM #2 | Watch email for room locations | |
| Wednesday, November 11 | Veterans’ Day Holiday (no lecture, no section, no office hours) | |
| Monday, November 16  
Policy Overview; Fiscal Policy | Macro, Chapters 9 and 10 | #21, “How Powerful are Fiscal Multipliers in Recession?”  
#22, “Quantitative Easing: Lessons We’ve Learned” |
| Wednesday, November 18  
Federal Reserve | Macro, Chapter 11 (pp. 183-194) | #23, “September is Looking Likerelier” |
| Monday, November 23  
Inflation; Phillips Curve | Macro, Chapter 15 (pp. 268-276) | |
| Wednesday, November 25 | Thanksgiving Eve Day Off (no lecture, no section, no office hours) | |
| Monday, November 30  
P.S. 4 due Mon/Tues  
Monetary Policy | Macro, Chapters 13 & 15 | #24, “Fed’s Doves Ranks Growing”  
#26, “China Cuts Rates” |
| Wednesday, December 2  
Policy, continued; Concluding Remarks | | |
| Monday, December 7  
Wednesday, December 9 | RRR week reviews with Professor Olney in Wheeler Aud.  
(optional, per UCB rules; but highly recommended) | |