



ECONOMICS 100-001
Fall 2016
Innovation Hall, Room 134
MW: 9:00-10:15AM

ECON 100: Economics for the Citizen

“Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually slaves of some defunct economist.”

John Maynard Keynes

INSTRUCTOR: Caleb S. Fuller

OFFICE LOCATION: Mason Hall (F.A. Hayek Program Suite)

EMAIL ADDRESS: cfuller5@gmu.edu

OFFICE HOURS: MW: 3:30-5pm or by appointment

REQUIRED TEXTS

Paul Heyne, Peter Boettke, and Dave Prychitko, *The Economic Way of Thinking (EWoT)*, 13th Edition (Prentice Hall). Anything 11th edition or later will suffice. Earlier editions are cheaper!

COURSE DESCRIPTION

Economics explores what our textbook authors call “the mystery of the mundane.” It answers questions like: How many people does it take to make a No. 2 pencil? Why are some nations rich and others poor? How does the city of Paris get fed day in and day out? (Spoiler alert: if you can answer any one of these questions, you’re well on your way to answering the other two).

I usually get one of two responses when I tell someone I study economics. Response 1: “Cool! Can you tell me what stocks to buy?!” (my mom). Response 2: “Yuck! Why?! ” (my dad). This is likely because many people believe economics is probably about money and that it’s certainly deserving of its title as the “dismal science.” Neither of those stereotypes is accurate. In fact, economics is the study of how diverse individuals, with infinite wants, can cooperate peacefully to achieve their goals in a world constrained by scarce resources. What’s not to like?

Some economists are fond of saying that economics is like a pair of eyeglasses that helps us see the world more clearly. After this course, you should possess this pair eyeglasses, enabling you to analyze a host of real-world problems.

TENTATIVE SCHEDULE OF TOPICS, ASSIGNMENTS, AND EXAMS

<u>DATE</u>	<u>TOPIC</u>	<u>READING</u>
8/29/16 8/31/16	(1) The Economic Way of Thinking	EWoT Ch. 1
9/5/16 (No Class-Labor Day) 9/7/16	(1) Exchange, Production, Specialization	EWoT Ch. 2
9/12/16 9/14/16	(1) Supply and Demand: Building Blocks	EWoT Ch. 3-4
9/19/16 9/21/16	(1) Supply and Demand: Applications	EWoT Ch. 5
9/26/16 9/28/16	(1) Supply and Demand: Unintended Consequences	EWoT Ch. 6
10/03/16 10/05/16	(1) Review (2) EXAM 1 (10/05/16)	
10/10/16 10/12/16	(1) Profit and Loss (2) Monopoly and Competition	EWoT Ch. 7 EWoT Ch. 9
10/17/16 10/19/16	(1) Externalities (2) Market Failure vs. Government Failure	EWoT Ch. 10-11
10/24/16 10/26/16	(1) Market Failure vs. Government Failure (2) Review (3) EXAM 2 (10/26/16)	EWoT Ch. 10-11
10/31/16 11/02/16	(1) Introduction to Macroeconomics	EWoT Ch. 13
11/07/16 11/09/16	(1) Money	EWoT Ch. 14
11/14/16 11/16/16	(1) Business Cycles (2) Review	EWoT Ch. 15
11/21/16 11/23/16 (No Class-Thanksgiving)	(1) EXAM 3 (11/21/16)	
11/28/16 11/30/16	(1) The Wealth and Poverty of Nations	EWoT Ch. 16
12/05/16 12/07/16	(1) Presentations	
12/19/16	(1) FINAL EXAM	

This is a tentative schedule. If it proves to ambitious, I will attempt to say less about each topic, rather than cutting topics entirely.

COURSE REQUIREMENTS, EVALUATION, GRADING

Final grades are based on three (3) midterm exams, one (1) in-class presentation, and one (1) comprehensive final exam, each of which is worth 25%. How does $5 \times 25 = 100$? I will drop your lowest grade—regardless of which grade is the lowest. This also means you could choose to skip one of these 5 grades.

There will also be two opportunities for extra credit. The first is a short (800 words max) essay on either F.A. Hayek's famous essay, "The Use of Knowledge in Society" or a chapter from Henry Hazlitt's famous book, *Economics in One Lesson*. Both of these texts are accessible for free online. This assignment will be due by the first exam, but you are welcome to turn it in before that. The second opportunity will consist of an op-ed (500 words max) on a topic of your choice, as long as it is related to the material in this course. This assignment will be due the final day of class (December 7). In both cases, your grade will depend on clarity and the soundness of your argumentation. Each opportunity is worth a maximum of 2.5 points, for a total of 5 potential points if you get full credit on both assignments.

Grading Scale:

A: 93-100	A-: 90-92	B+:85-89	B: 80-84	B-:75-79	C+:70-74
C: 67-69	C-: 64-66	D: 60-63	F: <60		

There will be no make-up exams. If you must miss an exam, please discuss it with me prior to the exam. In the event of an emergency, you should email me as soon as possible. If you miss an exam and I have not accepted your excuse, a grade of "0" will be given. If the absence is excused, the weight of that exam will be added to the final exam.

IN-CLASS EXPECTATIONS

Electronic devices can be very helpful for taking notes, but they are also an ever-present temptation. You are free to use them in this class (note that many elite law schools have banned them from the classroom!), but please be mindful not to distract those around you. When someone's activity imposes costs on someone else, economists call it a "negative externality." Don't impose negative externalities through your use of technology in the classroom!

ADDITIONAL INFORMATION

Honor Code: The George Mason University Honor Code requires all members of this community to maintain the highest standards of academic honesty and integrity. Cheating, plagiarism, lying, and stealing are all prohibited. All violations of the Honor Code will be reported to the Honor Committee.

Email: I will post lectures to Blackboard *at the end of each week*, but will also send information via email so please check your GMU account regularly.

Disability Resource Center: If you are a student with a disability and you need academic accommodations, please see me and also contact the Disability Resource Center (DRC) at 703-993-2474. All academic accommodations must be arranged through that office.