**Indian university-purdue university fort wayne**

**Department of Economics**

Decision Making and Economic Environment in a Global Society

Course Number: BUFW A524-02W  
Instructor: Myeong Hwan Kim, Ph.D.

Credit Hours: 3  
Office: Neff Hall, 340F

Class Meeting: F (6:00 pm-22:00 pm)  
Telephone: 1.260.481.6466

Location: KT 227  
E-Mail: kimm@ipfw.edu

Office Hours: Tuesday and Thursday (12:30 pm-1:20 pm) and by appointment

1. **Course Objectives**

   This is an introductory principle of economics course that covers topics in macroeconomics and microeconomics. The breadth of topical coverage limits the course objectives to subject matter mastery. The course will present factual material concerning the operation of the firm and household as well as the development of rudimentary understanding of economic decision-making. The course will also examine the operation of the macroeconomy, within the context of a global economic system.

2. **Required Readings**

   Textbook:

   *These policies will be strictly enforced.*

   If you do not follow these guidelines, your instructor will penalize you for it.

3. **Evaluation of Work/Grading Policy**

   Course grades will be based on exams (75%) and group project (25%). There will be four exams offered over the course of the semester; your lowest grade of the four will be dropped. The best three exams are equally weighted (25% each). The final course grade will be based on the following:

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<thead>
<tr>
<th>Scale</th>
<th>Grade</th>
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<tbody>
<tr>
<td>90 - 100%</td>
<td>A</td>
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<tr>
<td>80 - 89%</td>
<td>B</td>
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<tr>
<td>70 - 79%</td>
<td>C</td>
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<tr>
<td>60 - 69%</td>
<td>D</td>
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<tr>
<td>0 - 59%</td>
<td>F</td>
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   **Group Project**

   Analyze the current economic situation in the U.S. and its implications to your industry, and propose possible economic policy. Students will develop a documentary that depicts the group’s learning experience in a way that can be shared with academic, professional and community groups. All students will contribute materials and ideas for this project according to roles negotiated with the group member.

   **Tests (Quizzes and Exams)**

   The tests will not be easy, and will surely require extensive study. Quizzes will be given during the semester (if there are) - their purpose is to keep you up to date in your studying. If you are not present for a quiz or a scheduled examination, you will not be excused unless you submit an approved third-party official document. The date for the midterm exams will be given in class. It is impossible to make two examinations which are comparable in coverage and difficulty but essentially different. For this reason, requests to take special examinations (early or late) will be granted only in exceptional circumstances that are beyond the control of a student (e.g., serious illness, university business, a death in the family). I expect you to contact me the day of the examination or before the examination if you must miss an exam or quiz for any reason. The make-up exam is expected to be taken upon your return to class, no exceptions. If a student fails to take an exam and no arrangements were made, a score of zero will be recorded. Each student
will be allowed to make-up only one test (midterm, final exam or quiz) during the semester, regardless of the reason for absence.

Third-Party Official Document Policy
The following policy applies to all excused absent:

- After the missed class period, documentation is required for an excused absence.
- The document should contain your name and date (or period) of absence.
- It is the student's responsibility to request excuse and document absence.
- Student need to present third-party official documents which show that there was a compelling reason (e.g., a medical emergency, a doctor's note, a death in the family, jury duty, call up for military service, police report) for your absence.
- I do not accept nor acknowledge e-mail notification.
- The official documents need to be provided within a reasonable period of time (NO documents will be accepted after one week) and/or before the final examination if the date of absence is the last week of the semester.
- The submission of falsified documents will be grounds to expel the student from the class.

Late & E-mailed Assignments
Late and/or e-mailed assignments will not be accepted unless prior arrangements have been made with the Instructor and because of extreme circumstances (Not coming to class, or forgetting, doesn't rate as an extreme circumstance.).

No “Extra Credit” Work
Students sometimes ask for some extra credit work near the end (or middle) of the semester in an attempt to bring up poor grades. No extra credit work will be given to any student on an individual basis. Again, there is no extra credit offered at any time during the semester (please don’t ask).

Grades via E-mail
Because of the large number of students in each class, instructor will not be able to reply to individual e-mail requests for exam and/or class grades at the end (or middle) of the semester.

Contesting a Grade
If you wish to contest your grade on any work you complete for this class, please do so within one week after the assignment is returned. To contest your grade, contact me to schedule an appointment within one week of receipt of the grade. At the conference, bring the assignment (if it was returned to you) and any other documentation that may support your case. If you do not hang on to old tests, then the grades I have recorded will stand and you will have nothing to argue your case. Appeals will not be heard unless you have scheduled an appointment with me within the one-week time frame following receipt of the grade.

4. Expectations
The student has read the material before coming to class. The class session should not serve as the student’s first encounter with the material. The class session is a time to clarify and analyze the material. The instructor will assume that the student has an adequate grasp of algebra which is crucial to an understanding of the economic models to be used. Many economics courses, familiarity with graphical analysis is a must. I also hope that each of you will contribute significantly to our class discussions (in the form of questions, answers and comments) and group work. Be prepared to ask questions, raise concerns and demonstrate your thinking skills.

5. Attendance Policy
Students take responsibility for their learning. It is expected that students attend all scheduled classes during the time indicated in the Schedule of Classes for your section. I also expect you to arrive on time and stay for the entire class period. If you must leave class early, please let me know in advance, and then to sit as near the door as possible and leave quietly. Please remember that late arrivals and early departures distract other students (not to mention your instructor), and hinder your progress in the course. If you are not in class at the scheduled time for your section of the class, it is difficult for the instructor to provide you
with timely feedback and other information about your work. If you miss a class, you are still responsible for all material covered and any assignments given. Instructor will answer specific questions but instructor will not re-teach any lesson. It is your responsibility to do the readings and come prepared to listen to the lecture.

6. Institutional Policies and Procedures
In all respects, the policies of the Department, School and the University shall be applied in this course.

ADA Policy
Students with documented physical, learning, psychological and other disabilities are entitled to receive reasonable accommodations. If you need classroom or testing accommodations, please contact the Office of Services for Students with Disabilities (Walb Union, Room 113, 481-6657). The SSD will provide forms verifying the need for accommodation. As soon as the instructor receives the form, you will be provided with the appropriate accommodations. Students are encouraged to request accommodations as close to the beginning of the semester as possible.

Disruptive Behavior
Students who exhibit behaviors which are considered to obstruct or disrupt the class or its learning activities will be considered Disruptive Behavior. Behaviors which are considered to be inappropriate in this classroom include refusing to stay seated during class, sleeping, eating, coming in late, companions, interrupting others, talking, inappropriate behavior during group work, verbal behavior that is disrespectful of other students or the instructor, or others that may be disruptive. Students who exhibit such behavior will be given a verbal warning by the class instructor, then will be given a written warning in a meeting with the chair of the Department/Division, and then will be subject to disciplinary procedures.

Academic Dishonesty
Any form of academic dishonesty is prohibited. Students are expected to maintain the highest standards of honesty in their college work. Cheating, forgery and plagiarism are serious offenses, and students found guilty of any form of academic dishonesty are subject to disciplinary action. Incidences of violation of academic integrity will result in a grade of F for the course, dismissal of the student from the course and may lead to additional actions. Students are expected to be familiar with and adhere to the university policies with regard to academic dishonesty. These policies can be found on http://bulletin.ipfw.edu/content.php?catoid=31&navoid=801#Academic_Honesty.

Cell Phone & Computer
Cell phone is NOT allowed in the classroom. A cell phone violation will cause your cell phone to be detained until you leave the classroom. Your cell phone needs to be out of sight and turned off. Other than note taking, no activities such as surfing the Internet, playing computer games, typing a paper, etc. is allowed in the classroom. You should disconnect the wireless network from your computer. Any violation will cause your attendance credit to be 0 for that day and you will be asked to leave the classroom.

7. Course Outlines (Tentative: The instructor reserves the right to modify the syllabus during the course of the term.)

1. Introduction to Economics
   1) What is Economics
   2) How Do Economists Think?
   3) Scientific Thinking
   4) Types of Economics
   5) Economics and Theory

2. Production Possibilities Frontier
   1) Introduction to PPF
   2) Economic Concepts Illustrated with a PPF

3. Comparative Advantage and the Gains from Trade
   1) Assumptions
   2) Absolute Advantage
   3) Comparative Advantage
   4) Specialization
   5) Terms of Trade

4. Demand, Supply and Equilibrium
   1) Demand Schedules and Demand Curves
2) Change in Demand vs. Change in Quantity Demanded
3) Law of Supply
4) Supply Schedules and Supply Curves
5) Change in Supply vs. Change in Quantity Supplied
6) Equilibrium and Disequilibrium
7) Changes in Equilibrium
8) Disequilibrium

5. Consumer Choice: Maximizing Utility and Behavioral Economics
   1) Utility
   2) Consumer Equilibrium
   3) Consumer Surplus

6. Elasticity
   1) Introduction
   2) Elasticity of Demand
   3) Other Elasticities

Midterm #1

7. Production and Costs
   1) Types of Costs
   2) Example
   3) Production in the Short Run
   4) Production in the Long Run

8. Perfect Competition
   1) Introduction
   2) Perfect Competition in the Short Run
   3) Perfect Competition in the Long Run
   4) Efficiency

9. Monopoly
   1) Introduction
   2) Monopoly in the Short-Run
   3) Monopoly in the Long-Run
   4) Advantages and Disadvantages of Monopoly

10. Monopolistic Competition and Oligopoly
    1) Introduction
    2) Monopolistic Competition
    3) Long Run Conditions
    4) Oligopoly
    5) Models of Oligopoly

Midterm #2

11. Measuring Aggregate Performance (Prices, Unemployment and GDP)
    1) Measuring Prices
    2) Measuring Unemployment
    3) Gross Domestic Product
    4) The Expenditure Approach to Computing GDP for a Real-World Economy
    5) The Income Approach to Computing GDP for a Real-World Economy
    6) Other National Income Accounting Measurements
    7) Real GDP

12. Aggregate Demand and Aggregate Supply
    1) The Two Sides to an Economy
    2) Aggregate Demand
    3) Short-Run Aggregate Supply
    4) Putting AD and SRAS Together: Short-Run Equilibrium
    5) Long-Run Aggregate

13. The Self Regulating Economy
    1) The Classical View
    2) Three States of the Economy
    3) The Self-Regulating Economy

14. Economic Instability: A Critique of the Self-Regulating Economy
    1) Questioning the Classical Position
    2) The Simple Keynesian Model
    3) The Simple Keynesian Model in the AD-AS Framework
    4) The Simple Keynesian Model in the TE=TP Framework

Midterm #3

15. The Federal Budget and Fiscal Policy
    1) The Federal Budget
    2) Fiscal Policy
    3) Demand-Side Fiscal Policy
    4) Supply-Side Fiscal Policy

16. Money and Banking
    1) Money
    2) Defining the Money Supply
    3) The Money Creation Process

17. Monetary Policy
    1) The Money Market
    2) Transmission Mechanisms
3) Monetary Policy and the Problem of Inflationary and Recessionary Gaps
4) Monetary Policy and the Activist-Nonactivist Debate
5) Nonactivist Monetary Proposals

Final Exam