Econ 210 Principles of Economics

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Office Hours: Wed 10:00-12:00           Thu 12:30-14:30

Lecture Hours: Section 3: Fri 14:40-17:30  Section 2: Thu 14:40-17:30
MM125                                     MM125

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Course Webpage: http://online.metu.edu.tr

Course Description
This introductory course is designed to provide students with an understanding of how economies function. The goal of this course is to furnish students with the basic tools and concepts for analyzing economic events and evaluating policies. There are two parts of the course: microeconomics and macroeconomics. The first part, microeconomics, is about the consumers' and individual firms' decisions, how they determine the market price, how they interact. The second part, macroeconomics, looks at the economy as a whole. Understanding the basic macroeconomic concepts such as determination of aggregate income, open economies, the role of government, operation of the monetary system, will be the goal of the second part.
Readings

Course material, different from previous semesters, will mainly be the lecture notes and you will be responsible from the material lectured in the classroom but if we need to advise you a textbook it will be Ekinci, Nazım K. (2001), Basic Economics, Literatür Yayıncılık: İstanbul. (Please note that the textbook will mainly be used more extensively in the first part of the class but not in the second part) The textbook is not available at the Bookstore or on the market but students can obtain a copy of the book at the photocopy-room on the entrance floor of the FEAS-A Building. The book is also available at the RESERVE (B) section of METU Library (The call number is: HB 171.5 E 37). Also while preparing the class notes we will make use of the following supplementary textbooks:

Case, E. Karl, Fair, C. Ray and Oster, M. Sharon, Principles of Economics
Mankiw, N. Gregory, Principles of Economics

Grading Information (Exams and Problem Sets)

The course grades will be based on a midterm (47%, microeconomics), a final exam (47%, non-cumulative, macroeconomics) and two problem sets (total 6%, 3% each). One problem set will cover midterm material (microeconomics) and one problem set will cover final exam material (macroeconomics).

Midterm, final exam and problem sets will be multiple choices. (Having more than 150 students in each class unfortunately makes it impossible to ask questions that are not multiple choices) The examinations will be same for the sections 2 and 3 and will be different from section 1. All students are required to take the exams at the places designated according to the sections. Please make sure that you know the section that you registered and mention it correctly in the exams and problem sets. The places will be announced before the examinations on the web-page of the course. Following the midterm exam, the grades will be posted on the website. Exam attendance is required, so make-ups will be given only in cases of officially documented emergencies and only with advance notice and arrangement.
Course Policy:

1) **Collaboration during midterms and the final exam is strictly prohibited.** If you are caught cheating in the exam, no excuse will be accepted, you will receive a disciplinary sentence and might even be expelled from the university. In addition to the Teaching Assistants in your departments, a Teaching Assistant from the Department of Economics as well as your instructor will monitor the exams.

2) Students are responsible for all material covered in lectures.

3) Since many of the questions on the exams will come from the lecture material, attendance to the lectures is strongly recommended but not compulsory. Previous experience suggests that students who attended the classes regularly got better grades. Course attendance and participation will increase your grade in border cases; therefore we will ask you to sign an attendance sheet in each class.

4) Students are responsible for the announcements made in class and posted on the course webpage. Cancellation of classes and other important info will be posted in METU online; you might also receive an email from your instructors or TA’s so check your emails regularly.

5) Final exam grades will be announced after the announcement of official grades. **Please do not ask for an increase in grade, we are not allowed to increase your grade subjectively in any case!** (Note that we didn’t change any grades after the course grades are announced on subjective grounds last semester and we will not answer the emails asking for an increase this term.) Your grade is determined by your class performance. If you might be in repeat status or might not be able to graduate because of your grade in this course, we strongly recommend you to study the course accordingly and attend the classes regularly. We also strongly recommend you to see us if you have any questions/problems with this course during the term not when the course grades are announced.

6) Problem sets and exams will be graded by optical reader. If you have any concern and want to see your exam paper please meet with your TA’s at an announced date.
Course Outline

Below is a general list of topics to be covered for the course.

First Part (Dilem YILDIRIM for both sections) will cover:

The Economic Problem
Demand and Supply
The Market Mechanism
Some Applications of the Partial Equilibrium Model

Midterm Exam: April 8, 2010; 17:40

Second Part (Pınar DERİN-GÜRE for both sections) will cover:

Measurement: Main Macroeconomic Variables and National Income Accounting
Goods Market
Financial Markets
The IS-LM Model
The Open Economy
Growth (If we have time)

Final Exam: June 3, 2010; 16:30

(You can check the final exam places online at https://oibs.metu.edu.tr)