A study of the behavior and performance of the economy, the roles and functions of the market, State, households and firms, and their interaction. Basic macro- and microeconomic concepts and methodology are discussed.

B. LEARNING OUTCOMES

Upon completing the course, the students must be able to:

Content
1. Define all key concepts and principles covered in this course
2. Identify the methodology used in the study of economics
3. Apply demand and supply models to explain real-world events including the effects of government policies
4. Compare and contrast the different market structures
5. Identify conditions leading to market failures
6. Evaluate Philippine macroeconomic fundamentals and determine their policy implications
7. Analyze how monetary, fiscal and trade policies affect households and firms

Skills
1. Graph demand and supply curves in different market situations and compute equilibrium price and quantity values
2. Compute and interpret elasticity coefficients
3. Compute and interpret macroeconomic indicators

Attitude
1. Express concern on the effects of market failures and share examples on how these can be addressed
2. Advocate efficiency in the use of resources in everyday activities
3. Show continual desire to help alleviate some of the socio-economic problems in the country

C. COURSE OUTLINE AND TIMEFRAME

1. Basic Concepts – Week 1 - 3
1.1. Economics as a Discipline (Mankiw, et.al., Ch. 1 & 2; ADMU, Ch. 1)
1.2. Basic Economic Problems (ADMU, Ch. 2)
1.3. Market Forces of Demand and Supply (Mankiw, et.al., Ch. 4; ADMU, Ch. 3)
1.4. Elasticity and Its Application (Mankiw, et.al., Ch. 5; ADMU, Ch. 4)

2. Basic Microeconomics – Week 4 - 9
2.1. Introduction to Consumer Behavior
2.1.1. Consumer Choice and Demand  
(Mankiw, et.al., Ch. 21; ADMU, Ch. 5)

2.2. Introduction to Firm Behavior
2.2.1. Production Function and Business Organization  
(ADMU, Ch. 6)
2.2.2. Costs of Production  
(Mankiw, et.al., Ch. 13; ADMU, Ch. 6)
2.2.3. Efficiency of Perfect Competition  
(Mankiw, et.al., Ch. 14; ADMU, Ch. 7)
2.2.4. Monopoly  
(Mankiw, et.al., Ch. 15; ADMU, Ch. 77)
2.2.5. Monopolistic Competition  
(Mankiw, et.al., Ch. 17; ADMU, Ch. 7)
2.2.6. Oligopoly  
(Mankiw, et.al., Ch. 16; ADMU, Ch. 7)

2.3. Market Failures
2.3.1. Supply and Demand and Government Policies  
(Mankiw, et.al., Ch. 6; ADMU, Ch. 8)
2.3.2. Consumers, Producers and the Efficiency of Markets  
(Mankiw, et.al., Ch. 7)
2.3.3. Economics of Taxation  
(Mankiw, et.al., Ch. 8)
2.3.4. Externalities  
(Mankiw, et.al., Ch. 10; ADMU, Ch. 8)
2.3.5. Public Goods and Common Resources  
(Mankiw, et.al., Ch. 11; ADMU, Ch. 8)

3. Basic Macroeconomics - Week 10 - 15
3.1. Overview of Macroeconomics  
(ADMU, Ch 9)
3.2. Measuring a Nation’s Income  
(Mankiw, et.al., Ch. 23; ADMU, Ch 10 & 11)
3.3. Saving, Investment, and the Financial System  
(Mankiw, et.al., Ch. 26, ADMU, Ch. 11)
3.4. Measuring the Cost of Living and Inflation  
(Mankiw, et.al., Ch. 24)
3.5. Production and Growth  
(Mankiw, Ch. 25)
3.6. Unemployment and its Natural Rate  
(Mankiw, et.al., Ch. 28)
3.7. Aggregate Demand and Aggregate Supply  
(Mankiw, Ch. 33; ADMU, Ch. 12 & 13)
3.8. Money Supply and Central Bank
3.8.1. The Money and the Financial System  
(Mankiw, et.al., Ch. 30; ADMU, Ch 16)
3.8.2. Money Growth and Inflation  
(Mankiw, et.al., Ch. 30)
3.8.3. Banko Sentral ng Pilipinas and Monetary Policy  
(Mankiw, et.al., Ch. 29; ADMU, Ch 17)
3.9. Economic Role of the Government
3.9.1. Government Taxation  
(ADMU, Ch 14)
3.9.2. Government Expenditure  
(ADMU, Ch 15)
3.10. Influence of Monetary Policy and Fiscal Policy on Aggregate Demand  
(Mankiw, et.al., Ch. 34)
3.11. Open-Economy Macroeconomics
3.11.1. Gains from International Trade  
(Mankiw, et.al., Ch. 3)
3.11.2. Open-Economy Macroeconomics: Basic Concepts  
(Mankiw, et.al., Ch. 31; ADMU, Ch 18)
3.11.3. Macroeconomic Theory of the Open Economy  
(Mankiw, et.al., Ch. 32)
3.11.4. Exchange Rates  
(ADMU, Ch 19)

4. Introduction to Development Economics - Week 16 – 17
4.1. Economics of Development  
(ADMU, Ch. 20)
4.2. Agrarian Reform and Rural Development Strategies of Economic Development  
(ADMU, Ch. 21)

D. Required Readings


E. SUGGESTED READINGS

The following are the suggested supplementary references for the topics listed in the course outline. They can give additional explanations and examples. It is good to have access to any one of these books, hard or soft copy.


F. COURSE REQUIREMENTS

1. Quizzes, Assignments and Exercises = 25%
2. Midterm exam = 30%
3. Final exam = 30%
4. Research Paper = 15%

G. GRADING SYSTEM

This course numerical score will then be converted into a letter grade based on the following scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Excellent</td>
<td>92 - 100</td>
</tr>
<tr>
<td>B+</td>
<td>Very Good</td>
<td>8 – 91.9</td>
</tr>
<tr>
<td>B</td>
<td>Good</td>
<td>83 – 86.9</td>
</tr>
<tr>
<td>C+</td>
<td>Satisfactory</td>
<td>79 – 82.9</td>
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<tr>
<td>C</td>
<td>Fair</td>
<td>75 – 78.9</td>
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<tr>
<td>D</td>
<td>Passing</td>
<td>70 – 74.9</td>
</tr>
<tr>
<td>F</td>
<td>Failing</td>
<td>69 and below</td>
</tr>
</tbody>
</table>

H. CLASSROOM POLICIES AND RESPONSIBILITIES

1. Preparation, Participation and Exams
   1.1 Students are expected to be fully prepared for class and ready to learn and participate.
   1.2 Students are expected to have read the assigned chapter(s) prior to class.
   1.3 Students are expected to come prepared for any test, quiz, and/or seatwork.
   1.4 No make–up exam/quiz will be given under any circumstances. Absence during an examination day will mean a zero grade. The only exception is for serious and compelling reasons, which are limited to documented and serious illness, hospitalization, death in the family or equally important reasons.
   1.5 No exemption from the final exam.

2. Attendance Policy
   2.1 Students are expected to attend class regularly and on time. Attendance will be checked every meeting.
   2.2 A 10-minute late means absent. There shall only be 6 cuts allowable for TTTh classes, the 7th cut will automatically get a “W” grade.

3. Cell Phones and Electronic Devices
   3.1 Students are expected to shut off and put away all cell phones and electronic devices. Texting is strictly prohibited in class.
3.2 Students must refrain from using computers in class unless there is a specific reference or exercise that is assigned. (If you have a reason why this might be burdensome; please come talk to me prior to the start of class.)

4. Academic Honesty
   4.1 You are expected to be honest in all of your academic work. Potential sanctions include failure in the course and suspension from the university.
   4.2 Students are expected to be courteous and respectful of others.

5. Others
   5.1 No unnecessary talking and laughing.
   5.2 No walking out of classroom without permission
   5.3 No students are allowed to sit-in class, unless officially endorsed by the University administrator.
   5.4 Eating and drinking are not allowed during class hours.
   5.5 Wearing of hats not allowed inside the classroom.

I. Consultation Hours

   Wednesdays and Fridays - 2:00PM– 5:00 PM or by appointment 426-6001 local 5221.
   Venue: Department of Economics, 4th Floor, Leong Hall.
   E-mail address: mperez@ateneo.edu