

**University of Toronto
Department of Economics**

**ECONOMICS ECO105Y L0101
Introduction to Economics for Non-Specialists**

Fall 2017 / Winter 2018

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Mondays 10:00 – 12:00 at Ned's Café
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INTRODUCTION

“Economics is a science of thinking in terms of models joined to the art of choosing models which are relevant to the contemporary world. It is compelled to be this, because, unlike the typical natural science, the material to which it is applied is, in too many respects, not homogeneous through time. The object of a model is to segregate the semi-permanent or relatively constant factors from those which are transitory or fluctuating so as to develop a logical way of thinking about the latter Good economists are scarce because the gift for using ‘vigilant observation’ to choose good models, although it does not require a highly specialised intellectual technique, appears to be a very rare one.” – John Maynard Keynes

The ECO105Y course introduces microeconomics and macroeconomics as the basis for making smart choices in life as consumers, businesspeople, investors and informed citizens judging government policies. Microeconomics focuses on cost/benefit analysis of all decisions. Topics include gains from trade, how prices coordinate choices, the roles of competition and monopoly, efficiency/equity tradeoffs, government versus market failures, environmental policies, and income/wealth distributions. Macroeconomics focuses on the performance of market economies – measured by GDP growth, unemployment, inflation – and appropriate roles for government monetary and fiscal policies. Topics include GDP, economic growth, business cycles, unemployment, inflation, money and the Bank of Canada, exchange rates, government deficits, the national debt, globalization and trade policy.

Provides intuitive fundamentals for economic literacy without the mathematical details of ECO100Y.

Students who intend to complete a minor, major, or specialist program in Economics are advised to take ECO100Y.

However, students can pursue a minor or major program (but not specialist) in Economics with an 80% in ECO105Y.

REQUIRED COURSE MATERIALS

MicroEconomics for Life: Smart Choices for You, 2nd edition (2E), by A. Cohen (Pearson, 2015)

MacroEconomics for Life: Smart Choices for All?, 2nd edition (2E), by A. Cohen (Pearson, 2015)

MyEconLab (MEL) (Pearson 2015) and PeerScholar.ca (free for UofT students)

Purchase Options

1. A specially priced bundle of *Economics for Life (Micro+Macro 2E print textbooks) + Custom MyEconLab Combined Micro+Macro with eText Access Codes* is available in the UofT bookstore (ISBN 13: 9781323564530) for \$178.70.

This bundle has been created for a full-year course at a discounted price – buying separate new micro or macro print textbooks (\$123.50 each) would be much more expensive.

2. Digital Only Option 1 (no print textbooks, with eTexts) You can purchase an access code to *Custom MyEconLab Combined Micro+Macro*, which includes eTexts of *Micro+Macro 2E* (ISBN 9781323502198) through CEI directly from the UofT bookstore or through the UofT Bookstore website for \$155.75.
3. Digital Only Option 2 (no print textbooks, no eTexts) If you have already purchased used *Micro* and *Macro 2E* print textbooks, and do not buy the bundle above, discounted access to *Custom MyEconLab Combined Micro+Macro* is available through CEI directly from the UofT bookstore or through the UofT Bookstore website for \$120.00. NOTE: This option does not include eText versions of the textbooks.

The 1st edition of the textbooks did not include graphs. There are almost 100 new graphs in the 2nd editions, new topics, and changed chapter numbering. I would *not* try and get by with the 1st edition.

A calculator is not required and is not allowed at tests and the exam.

Any additional required readings will be posted to the course website.

FINAL GRADE

Your final course grade will be based on: a Warm-Up Exercise in September (2%); your best 9 marks from 10 on-line quizzes in *MyEconLab* collectively worth 9%; best 3 marks from the 4 non-cumulative term tests worth 15% each (collectively 45%); a writing exercise where you will learn to abstract an economics news story (5%, which will help prepare you for); a 1-2 page writing assignment in the form of a newspaper op-ed piece worth 14%; and a cumulative final exam worth 25%.

The writing assignments will use peerScholar and TurnItIn
http://teaching.utoronto.ca/wp-content/uploads/2015/08/TURNITIN_A-RESOURCE-GUIDE-0316.pdf.

The breakdown with the specific marks used in calculating your final course numerical average is below.

Task	% of the Course Grade	Date	Marks
Warm-Up Exercise & Survey	2%	September & January	12
<i>MyEconLab</i> Quizzes	9% (each 45 minutes)	10 throughout course	54 (Best 9 of 10)
Test 1	15% (8-10 am, 65 minutes)	Monday, 23 October 2017	90
Test 2	15% (8-10 am, 65 minutes)	Thursday, 7 December 2017	90
Test 3	15% (8-10 am, 65 minutes)	Monday, 5 February 2018	90
Test 4	15% (8-10 am, 65 minutes)	Monday, 19 March 2018	90
Article Abstract Exercise	5%	November or January, TBD	30
1 Op-Ed Assignment	14%	Staggered dates, March 2018	84
Final Exam	25% (2 hours)	April 10 – 28, 2018	150
Totals	100%		600

MAKE-UP POLICY

No permission is ever given to a student to write a test or exam in advance of its scheduled date. Students missing one term test for religious, medical or emergency reasons will have their other three tests count as their “best 3 out of 4” in calculating their course average. No documentation is required for one missed test. Missing more than one term test results in a grade of zero for the second missed test unless you provide a fully completed University of Toronto Medical Certificate showing a physical incapability of writing the test (dated the day of the test or earlier) within one week of the second missed test. No other medical documentation is acceptable.

With an acceptable University of Toronto Medical Certificate, you will be allowed to write a make-up test on Monday, 26 March 2018 during normal class time. The make-up test will cover the material on all 4 term tests. The make-up test is only for students who miss a second test and provide acceptable documentation. No student is ever allowed to write a make-up test in order to improve a score from an original test.

LEARNING OBJECTIVES

Upon completion of this course, students should be able to:

1. Understand the concept of economic equilibrium and its role in economists' use of simple models to approximate controlled experiments in the natural sciences.
2. Proficiently apply the economic way of thinking to explain economic and non-economic events using simple models that focus on important variables while setting aside unnecessary complications.
3. Distinguish positive from normative claims about economic events and policies.
4. Appreciate the limitations of economic models for explaining economic and non-economic events.
5. Use cost/benefit analysis to identify the trade-offs, including intended and unintended consequences of all choices.
6. Explain the objectives, successes, and failures of government policies such as minimum wages, rent controls, competition policy, environmental policy, trade policy, and tax and income redistribution policy.
7. Find data measuring macroeconomic outcomes including GDP, economic growth, unemployment, inflation, and understand the limitations of each measure.
8. Describe the fundamental macroeconomic question of whether markets quickly self-adjust, and explain both the hands-off and hands-on positions on the role of government fiscal and monetary policy.
9. Come to an informed personal opinion about the appropriate role of government in macroeconomic policy.
10. Write persuasive, informed opinion pieces about microeconomic and macroeconomic policy issues for a general audience.

BLACKBOARD AND *MyEconLab* WEBSITES

ECO105Y L0101 uses both Blackboard and *MyEconLab*. This integration is a UofT pilot program, so there will be bumps along the road we will collectively figure out how to overcome.

How to Enroll in ECO105Y L0101 Website and *MyEconLab*

Sign into portal.utoronto.ca and select

[Fall-2017-ECO105Y1-Y-LECO101: Princ Eco Non Spec](#)

- On the left navigation bar, click on the tab *MyEconLab* Link.
- Click on the only link on the page for *MyEconLab* Course Home, and accept the Privacy Policy.
- The first time you attempt to access *MyEconLab*, you will be asked to register.
- If this is your first time registering for a Pearson product, click Create.
- If you already have a Pearson account (from using a Pearson product in another course), sign in with your Pearson username and password.

Select an access option.

- Enter the access code that came with your textbook or that you purchased separately from the bookstore.
- If available, get 14 days temporary access. (The link is near the bottom of the screen.)
- From the You're Done page, click on Go to My Courses.

You only have to register once. For subsequent visits to *MyEconLab*, always enter through Blackboard, and click on the tab MyEconLab Link.

The website will be available by September 11th 2017.

Technical Support

For the best experience, check the system requirements for using *MyEconLab* at <https://www.pearsonmylabandmastering.com/northamerica/myeconlab/system-requirements/index.html>.

Detailed instructions on navigating the *MyEconLab* website are available from the '?' link at the top right of every MyEconLab webpage.

The Tech Help tab on the *MyEconLab* course menu also contains 24/7 contact information for Pearson.

Go to <http://247pearsoned.custhelp.com/> which has live chat, or call 1 844-292-7015.

If you have *MyEconLab* technical problems, I cannot help. Contact Pearson (live chat is best as you get a transcript).

Discussion Boards

All questions about course content (economics) must be posted to the Blackboard Discussion Boards. The TAs monitor these forums, but often a classmate will provide a correct answer more quickly. Post questions, responses, comments about any course material – lecture videos, textbook, study guide, *MyEconLab*, media stories, etc. All new postings/threads require a subject line. To receive a response from a TA or from me, the first word in your subject line must be your TA's name. Then add a descriptive subject. For example: charles - opportunity cost. Your TA is responsible for responding (if another student hasn't already answered your question) to all posts from his/her assigned students. I will jump in after the TAs if I have something to add. I will not answer individual content question by email unless your posted question has not been answered satisfactorily on the discussion board. There are 500 of you in ECO 105Y Online, and 1 of me.

WARM-UP EXERCISE & SURVEY

This is an online exercise for the first weeks of class (warmup.utoronto.ca) that is assigned in all 1st year econ courses. The exercise involves answering questions about personality traits or study goals and should take about 1 hour. Its purpose is to learn more about how to help promote academic and personal success. Doing the exercise is worth 2% of your total course grade in ECO 105Y.

COURSE WORK

Lectures are in the Isabel Bader Theatre, Mondays, 8:10 – 10:00 am. I will only use the Friday 11 am time for review before term tests, to review test answers, or because I was absent on a Monday. Already scheduled Friday 11 am lectures are listed on the lecture schedule. Bader is a beautifully functional room, and I ask, encourage and answer student questions. The review sessions are all driven by student questions. A major benefit of this in-person (versus online) course is your ability to have your questions answered.

Please silence all cell phones before entering the lecture hall. I would appreciate it if you would not text right in front of me –

I find it very hard to concentrate and deliver good lectures when I face texting students ignoring me. Lecture notes (in the form of PowerPoint slides) will be available by midnight the night before class on the MyEconLab website, connected through Blackboard. You should print out the lecture notes and bring them to class, as the pace of lectures will presume you have the notes in front of you. You should login to the website at least twice a week to stay current with course information and assignments.

The term tests and final exam consist of true/false (T/F) and multiple choice (MC) questions and short answer problems (SAP). These will be similar to the questions in the *MyEconLab* and Study Guide Assignments for each textbook chapter. Previous years' term tests, exam and answer guides are posted online so you have an idea what to expect. If you want additional practice, there are also Optional Assignments for *MyEconLab* and the Study Guide listed on the course website for each chapter. None of these assignments will be graded and will not directly affect your grade. However, I cannot overemphasize the importance of doing the assigned questions. Next to attending and understanding the lectures, working out the answers to the assigned questions is the most important preparation for the term tests and exam. You will not do well if you cannot answer the assigned questions. The term tests and exam will also cover news stories and all other non-textbook material covered in lecture. I will occasionally lecture on “big think” issues beyond the textbook.

One danger of a course where you do not have written, graded assignments is that you fall behind in your reading and studying. In most university courses, but in Economics in particular, falling behind is a recipe for disaster, as last-minute cramming does not work. The failure rate on first term tests in Economics is typically high because students do not take this advice. To help prevent this outcome, I will have online quizzes throughout the term that must be completed by specific dates.

The first quiz, Quiz Zero, appears on the course website and is designed to ensure that you are familiar with all of the rules of this course. All of the answers to the questions in Quiz Zero may be found in this course outline. You may take Quiz Zero as many times as necessary until you get all questions right. While you will not receive any marks towards your final course grade, you will not be able to access the graded quizzes until you complete Quiz Zero with a perfect score. Once you complete Quiz Zero with a perfect score, the excuse of "I didn't know that rule for make-ups / missed quizzes / test times / appeals, etc" will, of course, not apply to you. Quiz Zero will also help you get familiar with *MyEconLab*.

You will have at least 1 week to complete each of the 10 graded quizzes, and they can be accessed from any computer with an internet connection, anywhere in the world. Accordingly, I do not accept any excuses for missing a quiz. In addition, only your best 9 of the 10 graded quizzes will count (1% each) towards your final course grade. While most course material should be mobile-friendly, the graded quizzes will not work properly on phones – computers or tablets only.

Each of the 10 graded quizzes has 20 multiple choice questions. Many quiz questions are taken from the Study Plan and Sample Tests in *MyEconLab*. Doing those problems will dramatically improve your chances of getting a higher score on the quizzes. For each quiz, you have one attempt, and 40 minutes to complete it. You must finish a quiz once you start it. You cannot access any graded quiz until you have completed Quiz Zero with a perfect score of 100% and earned the required Master Points from doing Study Plan "Quiz Me" question. Every time a student takes a quiz, new questions are taken from a pool of questions, the order of the questions is scrambled, and the order of the answers is scrambled. You will receive a score immediately after taking each graded quiz. You will only be able to review each quiz *after the due date*.

To review quiz answers after the due date, click on the Results tab on the *MyEconLab* left navigation bar.

MEL Study Plan & Textbook Refresh Assignments

The weekly *MyEconLab* page also contains your weekly assignments – ungraded and graded. You must do the Study Plan practice questions for each chapter. These multiple-choice questions give targeted feedback, depending on your answer, that will help you learn. The adaptive learning software, stops giving you questions on topics that you get right, and adds questions where you need help. These Study Plan questions are not graded, but until you get a minimum number of Pearson "Mastery Points," you will not get access to the graded quiz for that chapter and will lose those marks.

I also strongly suggest that as you read each textbook chapter, you do the 3 Refresh Questions at the end of each section. When you complete a section, take the 5 to 10 minutes required to answer them. The Refresh Questions are designed to help you assess how well you understand the learning objectives. Look at the Answers to the Refresh Questions (on *MyEconLab*) only after you have completed the entire chapter. Refresh Questions are not graded, but taking the time to answer them has been shown to make a huge difference in students' ability to retain concepts and to higher test and exam scores.

Read the How to Succeed page on the website for advice on studying if you want to increase your chances of earning a higher grade. Another tip is to be sure to attend lectures. One of the most common mistakes students make is to think that because the PowerPoint lecture notes are available online, there is no reason to attend lectures. The notes contain the main concepts, but do *not* contain the detailed explanations and examples that help you make sense of the concepts. The tests and exam focus less on recall of information, and more on application of concepts to different situations. That is also why working the practice problems in the Assignments and old tests is important.

The lecture schedule on pages 7-8 indicates, for each week, the textbook chapters you should be reading and the *MyEconLab* and textbook Refresh Question Assignments. I may not always finish a topic on the listed date, in which case I will continue lecturing on that topic at the start of the next class, before moving on to the listed topic for that date.

ARTICLE ABSTRACT & OP-ED WRITING ASSIGNMENTS

One goal of this course is to help you understand and apply basic economic concepts to daily life. Part of your role as an informed citizen involves making sound arguments about economic issues that matter to you and communicating these arguments effectively to others. These assignments will give you practice identifying and developing convincing written arguments about an economic issue for a general audience.

ACADEMIC HONESTY

Copying, plagiarizing, or other forms of academic misconduct will not be tolerated. Any student caught engaging in such activities will be subject to academic discipline ranging from a mark of zero on the assignment, test or examination to dismissal from the university as outlined in the academic handbook. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties. In ECO105Y, having a calculator at your desk during a test or exam is academic misconduct.

Cheating and plagiarism are serious offences, carrying severe penalties. All students are expected to be familiar with the Code of Behaviour on Academic Matters, which is at <http://life.utoronto.ca/get-smarter/academic-honesty.htm>.

Requests for re-grading of term tests must be submitted, in writing, within 10 days. After that time, original grades will not be changed. These requests should formally justify where additional consideration is warranted according to the printed answer guide. Re-grading involves a reevaluation of the entire test and may raise or lower the original score. Tests written in pencil cannot be submitted for re-grading. I personally review all re-graded tests.

TUTORIALS and TEACHING ASSISTANTS

There are no tutorials for this course. Teaching Assistants will hold regular office hours, which will be announced later in September. Every TA will be assigned a group of students for which s/he is responsible for answering questions posted on the Discussion

Forum. During office hours, you may see your assigned TA or any other TA for help.

The student-run Economics Study Center in Room 110, 150 St George is staffed by third and fourth year undergraduate students who act as peer mentors to Economics and Commerce students. The peer mentors assist students on a one-to-one basis or in study groups, and are your best resource for in-person help.

ACADEMIC SERVICES AND SUPPORT

Links to help you with academic services and support

- General student services and resources at [Student Life](#)
- Full library service through [University of Toronto Libraries](#)
- Resources on conducting online research through [University Libraries Research](#)
- Resources on academic support from the [Academic Success Centre](#)
- Learner support at the [Writing Centre](#)

ACCESSIBILITY NEEDS

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course or course materials, please contact [Accessibility Services](#) as soon as possible.

LECTURE SCHEDULE AND ASSIGNMENTS
Fall 2016 ECO105Y L0101

WEEK OF	TOPIC	READING ASSIGNMENTS	MEL & TEXTBOOK REFRESH ASSIGNMENTS	FRIDAY 11 AM CLASSES
Sept. 11	Scarcity, Opportunity Cost, Trade, and Models	Micro Ch. 1	Get to know MEL; Do Quiz Zero Ch. 1: MEL Study Plan Refresh All questions	
Sept. 18	The Law of Demand	Micro Ch. 2	Ch. 2: MEL Study Plan Refresh All questions	
Sept. 25	The Law of Supply	Micro Ch. 3	Ch. 3: MEL Study Plan Refresh All questions	
Oct. 2	Demand and Supply	Micro Ch. 4	Ch. 4: MEL Study Plan Refresh All questions	
Oct. 9	No class – Thanksgiving			
Oct. 16	Elasticity	Micro Ch. 5	Ch. 5: MEL Study Plan Refresh All questions	Q&A Test Prep Friday 20 Oct
Oct. 23	TEST 1 – Monday 23 October			
Oct. 30	Government Policy Choices	Micro Ch. 6	Ch. 6: MEL Study Plan Refresh All questions	Test 1 Review Friday 3 Nov
Nov. 6	No class – Reading Week			
Nov. 13	Opportunity Costs, Economic Profits/Losses, Miracle of Markets	Micro Ch. 7	Ch. 7: MEL Study Plan RefreshAll questions	
Nov. 20	Pricing Power: Monopoly to Competition and In Between	Micro Ch. 8	Ch. 8: MEL Study Plan RefreshAll questions	

Nov. 27	Pricing for Profits: Marginal Revenue and Marginal Cost	Micro Ch. 9 [skip Appendix Ch. 9	Ch. 9: MEL Study Plan RefreshAll questions	Q&A Test Prep Friday 1 Dec
Dec. 4	Market Failure 1: Natural Monopoly, Gaming, Competition, and Government	Micro Ch. 10	Ch. 10: MEL Study Plan RefreshAll questions	
Dec. 7	TEST 2 – Thursday 7 December (counts as a UofT Monday)			

LECTURE SCHEDULE AND ASSIGNMENTS
Winter 2018 ECO105Y L0101

WEEK OF	TOPIC	READING ASSIGNMENTS	MEL & STUDY GUIDE (T/F, MC) ASSIGNMENTS	FRIDAY 11 AM CLASSES
Jan. 8	Market Failure 2: Externalities, Carbon Taxes, Free Riders and Public Goods; Market Failure 3: Inputs, Income & Inequality	Micro Chs. 11, 12	Ch. 11: MEL Study Plan Refresh All questions Ch. 12: MEL Study Plan Refresh All questions	Test 2 Review Friday 12 Jan
Jan. 15	Are Your Smart Choices Smart for All?: Macroeconomics and Microeconomics	Macro Ch. 5	Ch. 5: MEL Study Plan Refresh All questions	
Jan. 22	GDP, Economic Growth, Business Cycles	Macro Ch. 6	Ch. 6: MEL Study Plan Refresh All questions	
Jan. 29	Unemployment and Inflation	Macro Ch. 7	Ch. 7: MEL Study Plan Refresh All questions	Q&A Test Prep Friday 2 Feb
Feb. 5	TEST 3 – Monday 5 February			
Feb. 12	Aggregate Supply and Aggregate Demand	Macro Ch. 8	Ch. 8: MEL Study Plan Refresh All questions	Test 3 Review Friday 16 February
Feb. 19	No class – Reading Week			
Feb. 26	Demanders and Suppliers of Money	Macro Ch. 9 [skip Appendix Ch. 9]	Ch. 9: MEL Study Plan Refresh All questions	
Mar. 5	Exchange Rates and Payments with the Rest of the World	Macro Ch. 10	Ch. 10: MEL Study Plan Refresh All question	
Mar. 12	Monetary Policy and the Bank of Canada	Macro Ch. 11	Ch. 11: MEL Study Plan Refresh All questions	Q&A Test Prep Friday 16 March

Mar. 19	TEST 4 – Monday 19 March			
Mar. 26	Fiscal Policy, Deficits, National Debt	Macro Ch. 12	Ch. 12: MEL Study Plan Refresh All questions	Test 4 Review Friday 30 March
April 2	Globalization and Trade Policy	Macro Ch. 13	Ch. 13: MEL Study Plan Refresh All questions	
FINAL EXAM – APRIL 10 – 28 th 2018				