

ISTANBUL TECHNICAL UNIVERSITY
EKON 201E, PRINCIPLES OF ECONOMICS
Course Syllabus

Course Web Page: www.econ.itu.edu.tr. All announcements will be made on this web page. Please follow it regularly.

Course Description: This course examines the basic concepts in economics. The first part covers microeconomics. In this part, we will study of how firms decide on production and households decide on consumption of goods and services. The second part covers macroeconomics. In this part, we will study the economy as a whole. Topics include national income, unemployment, inflation, and economic growth.

Textbook: Gregory Mankiw, Principles of Economics, (7th edition)

Course Requirements:

- 1- Midterm: 40%, Final 60%
- 2- Attendance is mandatory. You will fail if you miss attendance 5 times.

Course Outline:

- 1. Introduction**
 - Chapter 1. Principles
 - Chapter 2. Thinking Like an Economist
 - Chapter 3. Interdependence and the gains from trade
- 2. Supply and demand I: how markets work**
 - Chapter 4. The market forces of supply and demand
 - Chapter 5. Elasticity and its applications
 - Chapter 6. Supply demand and government policies
- 3. Supply and demand II: markets and welfare**
 - Chapter 7. Consumers, producers, and the efficiency of markets
 - Chapter 8. Application: The costs of taxation
 - Chapter 10: The Economics of the Public Sector.
- 4. Firm behavior, and the organization of industry**
 - Chapter 13. The costs of production
 - Chapter 14. Firms in competitive markets
 - Chapter 15. Monopoly
 - Chapter 16. Oligopoly
 - Chapter 17. Monopolistic Competition
- 5. The data of Macroeconomics**
 - Chapter 23. Measuring the national income
 - Chapter 24. Measuring the cost of living
- 6. The real economy in the long-run**
 - Chapter 25. Production and growth
 - Chapter 26. Saving, investment, and the financial system
 - Chapter 28. Unemployment
- 7. Money and prices in the long-run**
 - Chapter 29. The monetary system
 - Chapter 30. Inflation
- 8. The macroeconomics of open economies**
 - Chapter 31. Basic concepts