

Lecture	Topics	Readings
<b>Micro 1</b> (Week 1)	<b>Introduction</b> * Five Core Principles  * Production Possibilities Frontier * Gains from Trade	* LH Chapter 1: What is Economics? (pages 1–14) * Harford (TUE) Chapter 1: Who Pays for Your Coffee? ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ]  * LH Chapter 2: Scarcity, Choice, and Economic Systems (pages 24–43, 50) * <i>The Economist</i> . “A trade economist wins the John Bates Clark medal – The law of comparative advantage at 200: still winning prizes.” [ <i>Files =&gt; Readings</i> ]
<b>Micro 2</b> (Week 2)	<b>How Markets Work</b> * Demand and Supply	* LH Chapter 3: Supply and Demand (pages 52–78, 84–85) * Harford (TUE) Chapter 2: What Supermarkets Don't Want You to Know ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ]
<b>Micro 3</b> (Week 3)	* Elasticity  <b>Welfare Economics</b> * The Efficiency of Markets	* LH Chapter 5: Elasticity (pages 121–137, 143)  * LH Chapter 14: Economic Efficiency and the Competitive Ideal (pages 428–442: The Meaning of Economic Efficiency, Competitive Markets and Economic Efficiency, Measuring Market Gains) * Harford (TUE) Chapter 3: Perfect Markets and the “World of Truth” ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ] * Harford (TUE) Chapter 10: How China Grew Rich ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ]
<b>Micro 4</b> (Week 4)	<b>Government Intervention</b> * Price Ceilings * Price Floors * Taxes * Subsidies	* LH Chapter 4: Working with Supply and Demand (pages 89–100, 116: Government Intervention in Markets) * LH Chapter 14: Economic Efficiency and the Competitive Ideal (pages 442–445, 447–451, 454: A Price Ceiling, A Price Floor, Taxes and Deadweight Losses) * <i>The Economist</i> . “Rice in Asia: Paddy-whacked.” [ <i>Files =&gt; Readings</i> ] * <i>The Economist</i> . “Taxing sugary drinks: Stopping slurping.” [ <i>Files =&gt; Readings</i> ] * <i>The Economist</i> . “What harm do minimum wages do?” [ <i>Files =&gt; Readings</i> ]
<b>Micro 5</b> (Week 5)	<b>Market Failure</b> * Externalities * Public Goods and Common Resources  <b>Producer Theory</b> * Profit Maximization * Perfect Competition	* LH Chapter 15: Government's Role in Economic Efficiency (pages 456–459, 464–477, 482–483, 489: The Legal and Regulatory Infrastructure, Externalities, Public Goods, Efficiency and Government in Perspective) * Harford (TUE) Chapter 4: Crosstown Traffic ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ]  * LH Chapter 7: Production and Cost (page 197: Marginal Cost) * LH Chapter 8: How Firms Make Decisions: Profit Maximization (pages 221–222, 224–235: The Goal of Profit Maximization, The Firm's Constraints, The Profit-Maximizing Output Level) * LH Chapter 9: Perfect Competition (pages 244–252: What is Perfect Competition?, The Perfectly Competitive Firm) (Skip Measuring Total Profit.)
<b>Micro 6</b> (Week 6)	<b>Producer Theory: Market Power</b> * Monopoly      * Monopolistic Competition   * Oligopoly	* LH Chapter 10: Monopoly (pages 282–292, 302–310: What is a Monopoly?, How Monopolies Arise, Monopoly Behavior, Equilibrium in Monopoly Markets, Price Discrimination) (Skip Profit and Loss.) * LH Chapter 14: Economic Efficiency and the Competitive Ideal (pages 445–447: Market Power) * LH Chapter 15: Government's Role in Economic Efficiency (pages 460–464: Monopoly) * Harford (TUE) Chapter 1: Who Pays for Your Coffee? ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ] * Harford (TUE) Chapter 2: What Supermarkets Don't Want You to Know ( <i>excerpts</i> ) [ <i>Files =&gt; Readings</i> ]  * LH Chapter 11: Monopolistic Competition and Oligopoly (pages 320–323: The Concept of Imperfect Competition, Monopolistic Competition)  * LH Chapter 11: Monopolistic Competition and Oligopoly (pages 327–348: Oligopoly, The Four Market Structures: A Postscript) * <i>The Economist</i> . “Six big economic ideas. #5: Game Theory.”

Lecture	Topics	Readings
<b>Macro 1</b> (Week 7)	<b>Macroeconomic Measurements</b> <ul style="list-style-type: none"> <li>* Macroeconomic objectives</li> <li>* Macroeconomic indicators: production</li> <li>* Macroeconomic indicators: price level, and inflation</li> <li>* Macroeconomic indicators: unemployment and employment (Note: Lecture Materials in Week 9)</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 17: What Macroeconomics Tries to Explain</li> <li>* LH Chapter 18: Production, Income, and Employment</li> <li>* Vox card stack: Everything you need to know about GDP</li> <li>* Harford (TUESB) Chapter 11: The Cult of GNP (<i>excerpts</i>) [Files =&gt; Readings]</li> <li>* LH Chapter 19: The Price Level and Inflation</li> <li>* LH Chapter 18: Production, Income, and Employment</li> </ul>
<b>Macro 2</b> (Week 8)	<b>Long-run Macroeconomics</b> <ul style="list-style-type: none"> <li>* Explaining economic growth</li> <li>* Why isn't the whole world developed?</li> <li>* The classical long-run model</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 21: Economic Growth and Rising Living Standards</li> <li>* Harford (TUE) Chapter 10: How China Grew Rich (<i>excerpts</i>) [Files =&gt; Readings] (Same reading as Micro 4)</li> <li>* LH Chapter 20: The Classical Long-run Model</li> </ul>
<b>Macro 3</b> (Week 9)	<b>Short-run Macroeconomics</b> <ul style="list-style-type: none"> <li>* Economic fluctuations</li> <li>* The short-run (Keynesian) model</li> <li>* Multiplier effects</li> <li>* Fiscal policy</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 22: Economic Fluctuations</li> <li>* LH Chapter 23: The Short-Run Macro Model</li> <li>* LH Chapter 24: Fiscal Policy (pages 727–734, 749–753: The Short Run: Counter Cyclical Fiscal Policy, The American Reinvestment and Recovery Act)</li> <li>* Harford (TUESB) Chapter 5: Stimulus (<i>excerpts</i>) [Files =&gt; Readings]</li> <li>* <i>The Economist</i>. “Six big economic ideas. #4: The Keynesian Multiplier.”</li> </ul>
<b>Macro 4</b> (Week 10)	<b>Money and Banking</b> <ul style="list-style-type: none"> <li>* The nature of money</li> <li>* Banks in money creation</li> <li>* Bank runs, role of the central bank in financial stability</li> <li>* The instruments of monetary policy</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 25: Money, Banks, and the Federal Reserve</li> </ul>
<b>Macro 5</b> (Week 11)	<b>Crisis, Recession, and Monetary Policy</b> <ul style="list-style-type: none"> <li>* Financial Crisis 2007-8, COVID-19 Recession 2020-?</li> <li>* Money demand and supply</li> <li>* Interaction between money market and goods market</li> <li>* Conventional and unconventional monetary policy</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 26: The Money Market and Monetary Policy</li> <li>* Harford (TUESB) Chapter 4: Just enough inflation (<i>excerpts</i>) [Files =&gt; Readings]</li> </ul>
<b>Macro 6</b> (Week 12)	<b>Currency Markets, Exchange Rates, and International Macroeconomics</b> <ul style="list-style-type: none"> <li>* Currency markets and exchange rates</li> <li>* Government intervention in currency markets</li> <li>* Exchange rates and the trade balance</li> </ul>	<ul style="list-style-type: none"> <li>* LH Chapter 29: Exchange Rates and Macroeconomic Policy</li> <li>* <i>The Economist</i>. “Six big economic ideas. #6: The Mundell-Fleming Trilemma.”</li> </ul>