

# ECO 1001–3 & 4– Introduction to Economics

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*“When intuition and logic agree, you are always right.”* — Blaise Pascal

ECO 1001 is about introducing you to the world of economics. Assuming this is your first taste, I will give you a quick tour of the subject.

## Objective

The key objective of this course is to build your intuition and critical thinking skills by applying logic in the field of social sciences.

*Intuition* is the ability to understand or deduce something without using reason to discover it. Intuition is an essential life skill since we are often asked to make quick decisions in our personal and professional lives. However, making quick, incorrect decisions is easy when such skills are not honed. To build them, one needs to invest time and energy into developing a critical bent of mind. *Critical thinking* involves analyzing available facts, evidence, arguments, and observations to derive a conclusion. Moreover, one should utilize *logic reasoning* to analyze the premise and draw conclusions. One can develop good intuition by repeatedly exercising critical thinking and logical reasoning. This course aims to put you on the lifelong journey of utilizing and developing such skills.

**Please keep this document handy and read it thoroughly.**

**Drop-by sessions:** TBA

## Teaching fellow

TBA

## Lectures

We will meet every Tuesday and Thursday between 8:30 and 10:00 am (Section 3) and 10.10 and 11:50 am (Section 4).

- Please come to the lectures after showering; you may carry your breakfast. A fresh mind is better able to absorb content than a sleepy one.
- As yawning is contagious, I may have to ask you to leave the lecture if I see you repeatedly yawning. Further, I may have to stop and skip the planned lecture if I see it turning into a menace.

## Textbook and course management

The primary textbook for this course is:

- The Economy by The CORE Project. This free text is available to use by students [here](#).

A second book I consult is *Economics: Global Edition* by Daron Acemoglu, David Laibson, and John A. List. This book is available in the library, and you may purchase it online. I will use this book only for getting questions.

**Please do not ask me for additional content. You can pick up these texts and practice questions from them.**

I will base the lecture notes on the CORE textbook. I expect the lecture notes and reading the relevant chapter on the CORE will suffice unless you are confused about a topic. I will share my lecture slides at the end of every topic. These will work as your lecture notes. The reason for uploading the lecture notes at the end of the topic is to motivate you to take notes. Moreover, I will share the topic to be covered in the upcoming week so you can come prepared.

**Your TF and I will update all information on Google Classroom (GC)**, which you can log on to using your Ashoka email id.

I usually do not advise you to purchase any textbooks *before* understanding my teaching style. Purchasing textbooks usually involves monetary and environmental

costs, which you can save on if the lectures suffice or you do not build interest in further studying these topics.

## Course outline

To develop “economic intuition,” we will look at every topic through a lens involving the following steps. This approach, by the way, is how economists look at the world.

1. Look at the real world. What question does the real-world data raise?
2. Build a “model” that helps explain what we see.
3. Critically evaluate the model: does it provide insight into the question and explain the evidence?

We will cover the following topics and units from *The Economy* by CORE.

1. What is Economics? (Lecture notes)
2. Scarcity, Work, and Choice (Unit 3)
3. Social Interactions (Unit 4)
4. Property and Power: Mutual Gains Conflict (Unit 5)
5. The Firm: Owners, Managers, and Employees (Unit 6)
6. The Firm and its Customers (Unit 7)
7. Supply and Demand: Price-taking and Competitive Markets (Unit 8)
8. Economic Fluctuations and Unemployment (Unit 1, Unit 10.1 – 10.6, Unit 13)
9. Unemployment and Fiscal Policy (Unit 9.1 – 9.7, Unit 14)
10. Inflation, Unemployment, and Monetary Policy (Unit 15)

**We will spend a long time in the first half of the course and move quicker towards the end despite the latter half being more challenging.** This is by design so that we spend time building the basics of economic decision-making. If these basics are clear to you, even if you do not follow the later lectures, you will be more efficient at doing them yourself.

## Grading rubric

### 1. In-class pop quizzes (8 \* 2.5 points each = 20 points)

- I will hold ten pop quizzes in total during the term, and the best eight scores will count towards your final grade.
- These quizzes will usually be for 15 minutes and involve multiple-choice questions or short answer-type questions.
- The quizzes will push you to exert regular effort on the course content.
- Note that you must attempt all multiple-choice questions from The Economy by CORE as practice for the quizzes. You will find answers and explanations there if you do so.
- There will be no additional makeup quizzes. If you miss more than two quizzes, I will assign you a zero score for every missed quiz. I do not want to know your reasons for being absent from the quiz; **do not send me emails with explanations.**

### 2. Create a question and the midterm examination (5 + 15 = 20 points)

I will hold a midterm examination on **Saturday, March 2, 2024**. However, your midterm examination will come with the following twist:

You must submit one question each to the midterm question bank one week before the exam. The question you submit should be such that you cannot find the question or its answer online. Thus, the question should be your own. You must submit the question and its suggested answer to the question bank. Note that the question must be short-answer but may include multiple parts. Providing a question and its satisfactory answer is worth 5 points. You will be graded on the novelty, relevance, and cleverness of the question you provide and how satisfactorily you've answered it.

You should be able to see all the questions and answers posted before the exam. I will choose three or four of those questions for your midterm exam. Of course, I may tweak the chosen questions, and your answers on the answer bank do not have to be correct. Your midterm exam is worth 20 points.

Finally, I may choose another question or two from the question bank for your final examination.

### 3. "Think-like-an-economist" project (20 points)

This group project will push you to think like an economist. At the beginning of the course, you will form groups of four. Each group is required to select one among the various questions/topics posted on GC and is needed to write a two-page report reflecting critically on the issue under consideration. You must approach the problem using logic and intuition in your essay. We will share the topics and detailed instructions in the second half of the course.

The deadline for submission of the report is **Monday, April 29, 2024**.

4. Final exam (35 points)

The final exam will be your final test of understanding the course material and how much logic and intuition you've built. I will hold it in the finals week, which will take a cumulative approach, i.e., the final exam will include all the course content. The exam will only contain short-answer-type questions.

I will hold the final exam during the first half of the examination week.

5. Attendance (5 points)

See the attendance policy below.

6. Extra credit (5 points)

You will earn extra credits by attending lectures regularly and being interactive. You can earn higher points by taking a more profound interest in the course.

I wish to give you as high a grade as possible at the end of the term. While **I will not relatively grade you, I may moderate your scores upwards** to match the grading system at Ashoka.

- Please note that I will use all scores other than those for extra credit for moderation. Thus, your final score = moderated scores in all the written material (out of 95) + raw attendance score (out of 5) + extra credit (out of 5). This final score will determine your final grade.
- Each graded element will not be moderated separately. Do not approach either your TF or me for it.
- Please note that this course will have no relative grading. Moderation will involve weighting your score with the maximum score so that I can push your scores upwards.

## Attendance policy

- **Individual attendance policy only for the DS:** You must attend the DS regularly. Please see below how the DSs will usually be run. Attending these sessions is crucial to your learning process. To motivate you to attend these sessions regularly, there is an individual attendance policy for the DS, which works as follows:

You start with 5 points for DS attendance at the beginning of the term. For every DS you do not attend, you will lose 1/2 point. However, you have two free passes from this policy for emergencies. If you are using your free pass, please write to your TF (your primary contact for DS) with any evidence and reason for not attending the DS. Please also cc me in such emails.

- **Attendance policy only for the lectures:** There is no attendance policy for the lectures. As an adult, I trust you to make wise decisions. Presumably, if you are not attending the lectures, you have a good reason not to do so. *Kindly do not write me why you cannot attend them; I am happy if you do not attend if you aren't interested in learning.*

## Teaching style and expectations

I want to emphasize that I will treat you as adults. Being an adult comes with certain costs and benefits. The benefits are that you can make your own decisions; the cost is that you'll be held accountable for your decisions. In the context of my teaching, this implies the following:

- I will not spoon-feed content to you, teaching or otherwise. **I will not, under any circumstances, reply to your emails with information already shared with you on GC, in the lectures, or in this document.** Moreover, you will be responsible for your learning. However, your TF and I will always assist you in your journey. Please ask for help whenever needed.
- It also means that I treat teaching as a two-way streak, i.e., it is more than just me lecturing you. Instead, I demand your full attention and involvement in the lectures – always stop and ask me questions, try to initiate and actively participate in class discussions, and always cross-question.

- Please come prepared for the drop-by sessions. Do not approach me with questions like, "I haven't understood topic  $x$  – can you explain it to me?." Instead, tell me what exactly have you done and what you did not understand in that particular topic.
- Please do not bargain with me on course policy as a group. If you are facing any mental or physical health issues, please write to me separately, and I will be happy to make accommodations for you on an *individual basis*.
- I will share an anonymous feedback form so you can give me continuous feedback. Please feel free to write anything positive or negative about the course here. Your feedback helps me develop and target the course better.
- Finally, I want to emphasize that academic integrity is crucial. I will take any cheating, plagiarism, or academic dishonesty seriously. I will take extreme punitive actions, such as an immediate failure and reporting to the OAA for any such incident.

## Discussion sessions

Attending DS is as essential, if not more, as regular lectures. Your learning experience is incomplete if you do not attend either of them. Please see above for the attendance policy for DS. The DS starts in the second week, with twelve sessions in total during the term.

You will primarily do three types of exercises during the DS with your TF.

1. *Short-answer type questions* as you will face in the final examination.
2. *Discussion and live exercise-type questions* where you form groups, do some online searches and then discuss topics.
3. *Additional teaching* where you will cover topics I leave out during the lectures.

Before the DS, your TF will share the lesson plan with you on GC. Please come prepared; it will make these lessons smoother as your TF has a shorter time with you. You may also approach your TF with written answers for the short-answer-type questions to get feedback on your writing. In addition, use the advice and feedback hours with your TF to fill any gaps in your understanding of questions and problems.