# ECON 110: Introductory Economics

**Fall 2026**

## Course logistics

**Professor:** Remy Beauregard
**Professor email:** rbeauregard@usfca.edu
**Credit:** 4 units · Core E Social Sciences
**Lectures:** Monday, Wednesday, Friday · 10:30-11:35 AM · LM 363
**Term:** August 25 to December 9, 2026
**Office hours:** Monday, Wednesday, Friday · 2:20-3:20 PM · McLaren 108

## Course description

Economists employ simplified models to dissect and analyze the multifaceted phenomena that shape our daily experiences. This course serves as a comprehensive introduction to a diverse array of economic principles, theories, and analytical methodologies, spanning both microeconomics and macroeconomics.

**Microeconomics.** We delve into the decision-making processes of firms and consumers within market frameworks. We explore the dynamics of supply and demand, elasticity, tax implications, government regulatory influences on market operations, externalities, and the subtle intricacies of market structures such as perfect competition and monopoly.

**Macroeconomics.** We then shift focus to the comprehensive examination of economies as interconnected systems. We engage with the measurement and interpretation of pivotal metrics including gross domestic product (GDP), unemployment rates, inflation rates, interest rates, and the enduring trajectory of long-term economic growth.

## Course learning outcomes

By the end of this course, you will be able to:

1. **Reason about tradeoffs.** Identify opportunity costs of decisions, distinguish between marginal and average costs and benefits, and explain how and why rational actors respond to incentives at the margin.
2. **Draw and understand the supply and demand model.** Derive market equilibria, distinguish movements along a curve from shifts of a curve, and predict how price and quantity respond to changes in market conditions.
3. **Calculate and interpret responsiveness of economic quantities.** Compute and interpret elasticities, and use them to characterize relevant economic phenomena and behavior.
4. **Evaluate market outcomes.** Measure consumer and producer surplus, define competitive market efficiency, and calculate deadweight loss created by market interventions.

5. **Diagnose market failures and assess policy responses.** Explain how externalities, public goods, and common resources cause markets to fail, and compare corrective taxes, tradable permits, and direct regulation as remedies.
6. **Analyze firm behavior across market structures.** Derive firm cost curves, determine profit-maximizing output under perfect competition and monopoly, and explain the welfare implications of both.
7. **Interpret macroeconomic statistics.** Explain how GDP, both real and nominal, CPI, and the unemployment rate are constructed, and identify the strengths and weaknesses of each measure.
8. **Explain long-run growth and determinants of interest rates.** Account for aggregate differences in living standards across countries in terms of productivity, and use the loanable funds market to explain how savings and investment determine the real interest rate.
9. **Explain the monetary system, money supply, and inflation.** Describe how banks and the Federal Reserve set the money supply, and use the quantity theory of money to explain the long-run relationship between money growth and inflation.
10. **Critically evaluate current economic news.** Connect claims made in the press about prices, jobs, growth, or policy to our class material, and identify what evidence would support or undermine these claims.

## Assignments

### Warm-up quizzes

Each class will open with a review question on the previous chapter's material. This may involve a short computation, identifying a point on a graph, or defining a relevant economic concept. You will have up to five minutes to complete the quiz from the start of class, so it is critical that you arrive on time. Warm-up quizzes cannot be submitted after class ends. Quizzes will be submitted in person and will be graded on completion.

I will automatically drop up to three missing warm-up quizzes for the semester. If you must miss additional days of class, please contact me to discuss alternative options.

### Problem sets

We will have eleven problem set assignments to help you practice material from class and prepare for exams. Problem sets will consist of twenty multiple-choice questions submitted on Canvas.

Problem sets are due on Canvas by 11:59pm on the dates listed in our course schedule below. Late submissions less than 24 hours after the assignment deadline are accepted for half credit; late submissions more than 24 hours after the deadline are not eligible for credit. Please contact me *before the submission deadline* if you need to request an extension. I will automatically drop your two lowest problem set grades at the end of the semester.

Use of AI to generate final answers on problem sets is forbidden. In addition to breaking university policy, this robs you of vital preparation for our exams.

### Exams

We will have three closed-book exams in this class. Each is non-cumulative and covers material only from the chapters listed below. Exams 1 and 2 will each be 60 minutes during our regular class time. Exam 3 will be 90 minutes and take place during our final exam period scheduled by the registrar; I will update this time and location later in the semester.

- **Exam 1**, in class Wednesday, September 30. Covers Chapters 1-8.
- **Exam 2**, in class Wednesday, October 28. Covers Chapters 10-11, 14-16.
- **Exam 3**, during our final exam block scheduled by the registrar. Covers Chapters 24-27, 29-31.

Exams 1 and 2 are each worth 70 total points. Exam 3 is worth 100 points. Each exam may include multiple choice, true/false, graphing, computation, or free response questions. You may be asked to draw, label, and interpret graphs and provide written conclusions based on your graph.

Exams cannot be missed without explicit permission from the professor granted at least one week before the exam date, or sooner in emergencies. There are no makeup exams for unexcused absences.

**Calculators.** You will need a basic calculator for exams. Any simple four-function or scientific calculator is fine, and inexpensive models are available at the bookstore. Phones, smart watches, tablets, laptops, and any device that connects to the internet may not be used as calculators and must be put away during exams. If you do not own a calculator, contact me before the first exam and I will arrange one for you.

## Grading

Your overall grade in this course is calculated as a weighted sum of the assignments below. No other assignments are eligible for credit in this course.

| Assignment category | Coverage | Weight |
|---|---|---|
| Warm-up quizzes (up to 3 dropped) | All class meetings | 5% |
| 11 problem sets (lowest 2 dropped) | All assigned chapters | 25% |
| Exam 1 | Chapters 1-8 | 22% |
| Exam 2 | Chapters 10-11, 14-16 | 22% |
| Exam 3 | Chapters 24-27, 29-31 | 26% |
| **Total** | | **100%** |

Letter grades will be assigned at the end of the semester once all assignments have been graded. I expect the class average to fall between 80-85%. Prior to all assignments being graded, however, I cannot provide precise intuition as to the letter grade associated with any percentage grade.

Please contact Professor Beauregard with any concerns about class grades.

## Course schedule

Daily topics, textbook chapters, and problem set due dates are listed below. All problem sets are due on Canvas by 11:59pm on the date listed.

### Unit 1: Markets, efficiency, and policy

| Date | Topic | Reading | Pages | Homework |
|---|---|---|---|---|
| Wed 8/26 | Introduction; necessary math review | Slides | Math review | |
| Fri 8/28 | How people make decisions; how people interact; the economy as a whole | Chapter 1 | 1-15 | |
| Mon 8/31 | Thinking like an economist; economic models; the economist as policy advisor | Chapter 2 | 18-33 | |
| Wed 9/2 | The gains from trade; absolute and comparative advantage | Chapter 3 | 45-57 | Problem set 1 due |
| Fri 9/4 | The demand curve and the supply curve; what shifts them | Chapter 4 | 60-71 | |
| Mon 9/7 | Labor Day holiday (no classes) | | | |
| Wed 9/9 | Demand and supply together; market equilibrium; changes in equilibrium | Chapter 4 | 74-83 | |
| Fri 9/11 | Price elasticity of demand; elasticity and total revenue | Chapter 5 | 88-97 | Problem set 2 due |
| Mon 9/14 | Elasticity of supply; cross-price and income elasticity | Chapter 5 | 98-107 | |
| Wed 9/16 | Price controls; rent control and the minimum wage | Chapter 6 | 110-115 | |
| Fri 9/18 | Taxes and tax incidence; how elasticity determines who bears the burden | Chapter 6 | 119-127 | |
| Mon 9/21 | Consumer surplus and producer surplus | Chapter 7 | 130-138 | Problem set 3 due |
| Wed 9/23 | Market efficiency; market failure | Chapter 7 | 140-144 | |
| Fri 9/25 | The deadweight loss of taxation | Chapter 8 | 150-162 | |
| Mon 9/28 | Review for Exam 1 | | | Problem set 4 due |
| Wed 9/30 | **Exam 1 (in class), Chapters 1-8** | | | |

## Unit 2: Market failure and the behavior of firms

| Date | Topic | Reading | Pages | Homework |
|---|---|---|---|---|
| Fri 10/2 | Externalities; public solutions | Chapter 10 | 186-198 | |
| Mon 10/5 | Externalities: private solutions | Chapter 10 | 200-204 | |
| Wed 10/7 | Public goods; common goods; the tragedy of the commons | Chapter 11 | 208-219 | |
| Fri 10/9 | The costs of production; explicit versus implicit costs; economic profit | Chapter 14 | 262-266 | Problem set 5 due |
| Mon 10/12 | Cost curves; short run versus long run; economies of scale | Chapter 14 | 268-277 | |
| Wed 10/14 | The competitive firm's supply decision; shutdown and exit | Chapter 15 | 280-294 | |
| Fri 10/16 | The market supply curve; long-run equilibrium and zero profit | Chapter 15 | 295-300 | Problem set 6 due |
| Mon 10/19 | Fall break (no classes) | | | |
| Wed 10/21 | Why monopolies arise; the monopolist's production and pricing decision | Chapter 16 | 304-315 | |
| Fri 10/23 | The welfare cost of monopoly; antitrust and regulation; price discrimination | Chapter 16 | 317-329 | |
| Mon 10/26 | Review for Exam 2 | | | Problem set 7 due |
| Wed 10/28 | **Exam 2 (in class), Chapters 10-11, 14-16** | | | |

## Unit 3: Measuring the economy, growth, and money

| Date | Topic | Reading | Pages | Homework |
|---|---|---|---|---|
| Fri 10/30 | Measuring gross domestic product; the four components of spending | Chapter 24 | 483-491 | |
| Mon 11/2 | Real versus nominal GDP; the GDP deflator; what GDP misses | Chapter 24 | 492-500 | |
| Wed 11/4 | Constructing the consumer price index; CPI versus the GDP deflator | Chapter 25 | 503-509 | |
| Fri 11/6 | Correcting for inflation; real versus nominal interest rates | Chapter 25 | 512-518 | |
| Mon 11/9 | Productivity and its determinants; why living standards differ across countries | Chapter 26 | 521-530 | Problem set 8 due |
| Wed 11/11 | Economic growth and public policy; the catch-up effect | Chapter 26 | 530-542 | |
| Fri 11/13 | Financial institutions; the relationship between saving and investment | Chapter 27 | 546-553 | |
| Mon 11/16 | The market for loanable funds; what determines the real interest rate | Chapter 27 | 554-563 | |
| Wed 11/18 | Identifying and measuring unemployment; why unemployment persists | Chapter 29 | 581-587 | Problem set 9 due |
| Fri 11/20 | Job search, minimum wages, unions, efficiency wages | Chapter 29 | 589-600 | |
| Mon 11/23 | What money is and what it does; the Federal Reserve System | Chapter 30 | 606-612 | |
| Wed 11/25 | How economists use data (*not on exam*) | Chapter 39 | Appendix | |
| Fri 11/27 | Thanksgiving recess (no classes) | | | |
| Mon 11/30 | Banks and money creation; the tools of monetary control | Chapter 30 | 613-625 | |
| Wed 12/2 | The quantity theory of money; the classical dichotomy; the Fisher effect | Chapter 31 | 630-641 | Problem set 10 due |
| Fri 12/4 | The costs of inflation | Chapter 31 | 642-652 | |
| Mon 12/7 | Short-run fluctuations and the aggregate demand and aggregate supply framework (*not on exam*) | Chapter 34 | 700-733 | |
| Wed 12/9 | Review for Exam 3 | | | Problem set 11 due |
| TBD by registrar | **Exam 3 (finals period), Chapters 24-27, 29-31** | | | |

## Texts and supplies

Mankiw, N. Gregory. 2026. *Principles of Economics*, 11th ed. Boston: Cengage Learning. ISBN 9798214055039. Required.

You will also need a basic four-function or scientific calculator for our exams, as described under Exams above.

## Program learning outcomes

ECON 110 is the entry point to the Economics major and minor and serves students across the university who are meeting a core requirement. The course supports the following program learning outcomes. Students who complete the Economics degree will be able to:

1. Apply core microeconomic and macroeconomic theory to analyze the behavior of consumers, firms, markets, and national economies.
2. Use economic models to evaluate the effects of public policy on efficiency and on the distribution of gains and losses across groups.

3. Interpret quantitative economic evidence, including published statistics on output, prices, and employment, and reason carefully about what such evidence does and does not support.
4. Communicate economic reasoning clearly in words, graphs, and numbers to both specialist and general audiences.
5. Recognize the ethical dimensions of economic questions and consider the consequences of economic arrangements for marginalized and underserved communities.

ECON 110 contributes primarily to outcomes 1, 2, and 4, and introduces the material that outcomes 3 and 5 build on in later coursework.

## Core E: Social Sciences

This course meets the Core E graduation requirement and its associated learning outcomes.