ECON 110: Introductory Economics

Spring 2027

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 · MA 228
Term: January 25 to May 20, 2027
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 exercises

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 exercise from the start of class. Warm-up exercises cannot be submitted after class ends. Exercises will be submitted in person and will be graded on completion.

I will automatically drop up to three missing warm-up exercises for the semester. If you must miss additional days of class (more than three exercises), please contact the professor 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 ten multiple-choice questions per chapter 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 the professor *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. Exam questions will be similar in formatting and content to those in problem set and warm-up assignments. 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 Monday, March 1. Covers Chapters 1-8.
- **Exam 2**, in class Monday, April 5. 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 the professor before the first exam to have one arranged 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 exercises (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 the professor with any concerns about class grades.

Attendance

Attendance of lectures is critical for success in this class. Each class will begin with an in-person participation exercise, which cannot be completed outside of class. These will be completed during the first five minutes of each class, so it is critical you arrive on time.

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

Technology usage

Technology use in this class is strictly limited to *handwriting* features, such as a note-taking app on a tablet or touchscreen laptop with a stylus. Other functions of devices such as web browsers or AI tools may not be used during class. Cell phones and other devices used for any purpose other than taking handwritten notes may not be used during class.

All in-class assignments, including warm-up exercises and exams, will be completed and submitted using pen or pencil and paper. Please speak with me if you require an exemption from the rules above due to accommodation from Student Disability Services (SDS) or for another reason.

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
Mon 1/25	Introduction; necessary math review	Slides	Math review	
Wed 1/27	How people make decisions; how people interact; the economy as a whole	Chapter 1	1-15	
Fri 1/29	Thinking like an economist; economic models; the economist as policy advisor	Chapter 2	18-33	
Mon 2/1	The gains from trade; absolute and comparative advantage	Chapter 3	45-57	Problem set 1 due
Wed 2/3	The demand curve and the supply curve; what shifts them	Chapter 4	60-71	
Fri 2/5	Demand and supply together; market equilibrium; changes in equilibrium	Chapter 4	74-83	
Mon 2/8	Price elasticity of demand; elasticity and total revenue	Chapter 5	88-97	Problem set 2 due
Wed 2/10	Elasticity of supply; cross-price and income elasticity	Chapter 5	98-107	
Fri 2/12	Price controls; rent control and the minimum wage	Chapter 6	110-115	
Mon 2/15	Presidents' Day holiday (no classes)			
Wed 2/17	Taxes and tax incidence; how elasticity determines who bears the burden	Chapter 6	119-127	
Fri 2/19	Consumer surplus and producer surplus	Chapter 7	130-138	Problem set 3 due
Mon 2/22	Market efficiency; market failure	Chapter 7	140-144	
Wed 2/24	The deadweight loss of taxation	Chapter 8	150-162	
Fri 2/26	Review for Exam 1			Problem set 4 due
Mon 3/1	**Exam 1 (in class), Chapters 1-8**			

Unit 2: Market failure and the behavior of firms

Date	Topic	Reading	Pages	Homework
Wed 3/3	Externalities; public solutions	Chapter 10	186-198	
Fri 3/5	Externalities: private solutions	Chapter 10	200-204	
Mon 3/8	Public goods; common goods; the tragedy of the commons	Chapter 11	208-219	
Wed 3/10	The costs of production; explicit versus implicit costs; economic profit	Chapter 14	262-266	Problem set 5 due

Date	Topic	Reading	Pages	Homework
Fri 3/12	Cost curves; short run versus long run; economies of scale	Chapter 14	268-277	
Mon 3/15				
Wed 3/17	Spring break (no classes)			
Fri 3/19				
Mon 3/22	The competitive firm's supply decision; shutdown and exit	Chapter 15	280-294	
Wed 3/24	The market supply curve; long-run equilibrium and zero profit	Chapter 15	295-300	
Fri 3/26	Good Friday (no classes)			
Mon 3/29	Why monopolies arise; the monopolist's production and pricing decision	Chapter 16	304-315	Problem set 6 due
Wed 3/31	The welfare cost of monopoly; antitrust and regulation; price discrimination	Chapter 16	317-329	
Fri 4/2	Review for Exam 2			Problem set 7 due
Mon 4/5	**Exam 2 (in class), Chapters 10-11, 14-16**			

Unit 3: Measuring the economy, growth, and money

Date	Topic	Reading	Pages	Homework
Wed 4/7	Measuring gross domestic product; the four components of spending	Chapter 24	483-491	
Fri 4/9	Real versus nominal GDP; the GDP deflator; what GDP misses	Chapter 24	492-500	
Mon 4/12	Constructing the consumer price index; CPI versus the GDP deflator	Chapter 25	503-509	
Wed 4/14	Correcting for inflation; real versus nominal interest rates	Chapter 25	512-518	
Fri 4/16	Productivity and its determinants; why living standards differ across countries	Chapter 26	521-530	Problem set 8 due
Mon 4/19	Economic growth and public policy; the catch-up effect	Chapter 26	530-542	
Wed 4/21	Financial institutions; the relationship between saving and investment	Chapter 27	546-553	
Fri 4/23	The market for loanable funds; what determines the real interest rate	Chapter 27	554-563	
Mon 4/26	Identifying and measuring unemployment; why unemployment persists	Chapter 29	581-587	Problem set 9 due
Wed 4/28	Job search, minimum wages, unions, efficiency wages	Chapter 29	589-600	
Fri 4/30	What money is and what it does; the Federal Reserve System	Chapter 30	606-612	
Mon 5/3	Banks and money creation; the tools of monetary control	Chapter 30	613-625	
Wed 5/5	The quantity theory of money; the classical dichotomy; the Fisher effect	Chapter 31	630-641	Problem set 10 due
Fri 5/7	The costs of inflation	Chapter 31	642-652	
Mon 5/10	Short-run fluctuations and the aggregate demand and aggregate supply framework (*not on exam*)	Chapter 34	700-733	Problem set 11 due
Wed 5/12	Review for Exam 3			
TBD by registrar	**Exam 3 (finals period), Chapters 24-27, 29-31**			

Text 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 learning outcomes for the Economics program:

1. **Economic literacy.** Students will engage in the systematic study of foundational economic concepts and relate them to economic problems and phenomena faced by people and firms.
2. **Economic theory.** Students will use mathematical models, relational diagrams, and optimization techniques from microeconomic and macroeconomic theory to analyze real world economic problems and generate testable predictions about economic phenomena.
3. **Economic citizenship.** Students will employ economic reasoning and quantitative techniques to evaluate and critique economic policies, arguments, and social problems, with a particular emphasis on the role economics plays in advancing human well-being for the poor and disadvantaged.

The program's remaining outcome, empirical economics, is developed in later coursework.