

ECO11: Principles of Economics I

Course Syllabus

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Term II: 21 October - 23 December, 2019

This course introduces the basic principles of economics from the perspective of the Austrian school. Based on Carl Menger's [*Principles of Economics*](#), Ludwig von Mises' [*Human Action*](#), and Murray Rothbard's [*Man, Economy, and State*](#), this course covers the concepts of human action, scarcity, opportunity cost, time preference, capital, trade, money, and prices.

The course is taught through a lecture and a weekly discussion session. These are held once a week each, for ten weeks. Lectures are around one hour long and are held live every Monday at 11am US Eastern Time. The lecture will then be available for download in video and audio format, along with detailed class notes. Students are encouraged to post questions in the course forum, and to attend and contribute to the live discussion sessions held every Thursday at 11am US Eastern Time. Recordings of the discussion sessions will also be available in video and audio format for download. After the course ends, students will continue to have access to the course page which contains all the video and audio recordings as well as class notes.

This will be the first in a series of courses that cover the principles of economics from the perspective of the Austrian School. Sign up to the newsletter to stay informed of when all of these courses will be offered.

Principal Textbooks:

As an introductory course to Austrian economics, this course relies on the foundational textbooks in the field. We will cover the most important concept from across the three most significant textbooks in Austrian economics. But do not be intimidated, we will not cover the entirety of these books in this course, only the introductory parts. The rest of the material will be covered in future courses.

All of these textbooks are available for free download as digital copies, as well as for purchase as physical copies, from the great library of the Mises Institute website, on mises.org.

Carl Menger's [*Principles of Economics*](#)

Ludwig von Mises' [*Human Action*](#)

Murray Rothbard's [*Man, Economy, and State*](#)

Course material:

Week 1: Economic Goods, Value, Utility, and Marginal Analysis

Concepts covered: Economic goods, utility, value, marginal analysis, subjective value.

Readings:

Principles of Economics, Chapters I, II, and III

Week 2: Human Action

Concepts covered: Human action, time, scarcity, opportunity cost, law of returns.

Readings:

Human Action, Chapters I, IV, V, and VII.

Man, Economy, and State, Chapter 1, sections 1-8

Week 3: Time and labor

Concepts covered: Time, value of time, time preference, leisure, labor.

Readings:

Simon, Julian. [The Ultimate Resource](#)

Hoppe, Hans-Hermann, [Democracy: The God That Failed](#), Chapter 1

Ammous, Saifedean. [The Bitcoin Standard](#), Chapter 9 (Store of value)

Week 4: Capital and Technology

Concepts covered: saving, investment, capital accumulation, productivity, period of production, technology.

Human Action, Chapter XVIII

Kramer, Michael. [Population Growth and Technological Change](#)

Man, Economy, and State, Chapter 1, sections 9-10

Week 5: Economic Exchange

Concepts covered: interpersonal direct exchange, consent, coercion, ownership, division of labor, comparative advantage

Readings:

Human Action, Chapter VIII, X

Man, Economy, and State. Chapter 2

Week 6: Indirect Exchange

Concepts covered: Indirect exchange, medium of exchange, the problem of coincidence of wants, salability,

Readings:

Principles of Economics, Chapter VIII

Man, Economy, and State, Chapter 3

Human Action, Chapter XVII

Week 7: Prices and the market order

Concepts covered: price formation, equilibrium, pricing of factors of production, Catallactics, Characteristics of the market economy, consumer sovereignty.

Readings:

Man, Economy, and State, Chapters 4 and 7

Human Action, Chapter XXI

Human Action, Chapters XIV, XV (sections 1-7)

Week 8: Profit and Loss

Concepts covered: Entrepreneurship, calculation, length of structure of production

Readings:

Man, Economy, and State, Chapter 8

Human Action, Chapter XV (sections 8-14)

Week 9: Violent Intervention

Concepts covered: Violence, intervention in market affairs, consequences of interventionism

Readings:

Man, Economy, and State, Chapter 12

Human Action, Chapter XXVI, XXVII, XXVIII

Week 10: Economic progress

Concepts covered: Economic growth, technological advancement, capital accumulation, division of labor, factors conducive to economic growth. Factors destructive of economic growth.

Readings:

Mises, [What Economic Progress Means](#)