Professor Liz Yun Li
Fall 2026

Sichuan University
SCAI

Understanding the Global Economy

General Information:
Course ID: 312269030
Prerequisites: none
Credit hours: 3
Time: M 8:15 – 11:00 (S104)
Office hours: Tuesday 13:00 – 16:00, Friday 13:00 – 16:00, and by appointment (email)
Office location: N404
Email: lizyunli@scai-ji.cn
TA: Ling Lin
Course Website on blackboard: https://pibb.scu.edu.cn/
Course QQ: See code picture at the end

Course Description:
This is a one-semester course that serves as an introduction to economics. The semester is divided into two parts. In the first half, we will talk about topics in microeconomics: the market forces of supply and demand, the effects of government policies on market outcomes and how markets improve overall economic welfare, and firm decisions on price and quantity when facing different levels of competition while trying to maximize profit. We'll also talk about market failure when there're externalities and market power, and economics in public sector if time allows. In the second half of the semester, we'll turn to macroeconomics and talk about economic growth in the long run, saving, investment and the financial system, money and banking, currencies and foreign exchange market, international flow of goods, services and capital. We'll talk about short-run economic fluctuations and government policies, monetary and fiscal, in stabilizing the economy. You will have a taste of the history of economic thought and get acquainted with the ideas of Adam Smith, John M. Keynes and other great economic thinkers. You will also be exposed to real world economic problems through case studies, discussions of selected topics, and analysis of current economic issues. As a result, you should be able to apply economic theories to solve problems, utilize your newly gained knowledge to analyze real world situations, do your own reading and research and communicate economic ideas in class discussions of selected topics and group presentations.

Course Objectives:
By the end of this semester, you should have a very good understanding of economic principles, be able to reason economic issues using economic theories, evaluate government policy, understand policy debates and formulate informed opinions on current economic issues. The course meets other university and institute objectives by: 1)

utilizing real world examples to stimulate student interest, 2) encouraging critical thinking, 3) incorporating oral presentations and class discussions into the course.

Learning Outcomes for this Course:

By the end of this course, students should be able to:

1) understand the law of supply and demand in the market system and the key role of prices in allocating scarce resources in market economies.
2) understand the concept of elasticity and how the incidence of a tax, the size of deadweight loss and tax revenue depend on the price elasticities of supply and demand.
3) understand the effects of government policies such as price control, taxation, free trade and trade restrictions on market outcomes and total surplus.
4) understand why externalities can make market outcomes inefficient and the various government policies and private solutions aimed at solving the problem of externalities.
5) understand how firms make profit maximization decisions in the short-run and the long-run in different types of market structures.
6) understand how gross domestic product (GDP) is defined and calculated, the distinction between real GDP and nominal GDP, and whether GDP is a good measure of economic well-being.
7) understand how the consumer price index (CPI) is constructed, why the CPI is an imperfect measure of the cost of living, and how to use CPI to compare dollar figures across time.
8) understand why productivity is the key determinant of a country’s standard of living, the factors that determine a country’s productivity, and how government policies influence productivity growth.
9) understand some of the important financial institutions in a modern economy.
10) understand how risk-averse people reduce the risk they face, and how asset prices are determined.
11) understand what money is and the functions of money in the economy, the role of central bank, how the banking system helps determine the supply of money, and what tools the central bank uses to change the supply of money.
12) understand the long run theory of money growth and inflation.
13) understand why net exports always equal net capital outflow, how saving, domestic investment, and net capital outflow are related in an open economy.
14) understand how to build a model to explain an open economy’s trade balance and exchange rate, how to use the model to analyze the effects of government budget deficits, trade policies, and political instability and capital flight.
15) understand three key facts about short-run economic fluctuations, how to use the model of aggregate demand and aggregate supply to explain economic fluctuations, what factors lead to booms and recessions.
16) understand how monetary and fiscal policy affects aggregate demand, and the debate over whether policymakers should try to stabilize the economy.
17) understand how to apply economic principles to a range of policy questions.

Required Texts: None. You're encouraged to read any popular textbooks available for introductory Economics and feel free to discuss with me if you have questions. **For homework, studios and exams, use my lecture notes PPT for materials covered.**

Course Website:
We'll use blackboard to make announcement, distribute lecture notes, homework problems and answer keys, etc. Make sure to check the course page on blackboard frequently to stay updated.

Course QQ group:
We also have a course QQ group managed by the TA, Ling Lin. That is the other place besides the course website on blackboard where we may make announcements. You could also ask questions and have discussions. Instead of holding office hours at a physical location, the TA will be available to answer course-related questions through QQ.

*****Course materials are for your personal usage only, do not post online or share with people outside of the class. *****

Course Requirements:

- Preview lecture notes briefly before class, warm up to the new ideas that'll be covered in class, and check out any unfamiliar English words
- Be focused and actively participate in class discussion
- Review after class, use handouts, practice questions and application problems for practice, raise questions if any
- Be alert to current economic events, try to see real world situations through the lens of economic theory
- Work in groups, research on an economic event/history/news/topic, present your work in an in-class group presentation
- Be on time, and keep you cell phones off during class time
- **Uphold Academic Honesty:** cheating in an assignment/presentation will result in a 0 for it. Cheating in an exam will result in an F for the course.

Code of Academic Conduct:
Uphold Academic Honesty: cheating in an assignment/presentation will result in a 0 for it. Cheating in an exam will result in an F for the course.

Exams:
One Midterm and one Final, closed-book, noncumulative. Multiple choice questions.

Studio Work:
In some of the weeks, we'll do studio work when you solve questions on the materials covered in the weeks before. No makeup studio work will be given. If you have a legitimate reason to miss a class, make sure to email me and cc your class counselor beforehand.

Homework:
You'll be given multiple choice questions and application questions for practice. Working on those problems should have a positive effect on your understanding of the subject and your exam scores. You're responsible for managing your time properly and work on your own using those practice problems, homework will not be collected. Answer key will be provided. If there's any question, feel free to raise them in class, talk to me during the breaks, ask the TA through QQ, or come to my office hours.

Leading in Class Discussion of Selected Topics:
This is an opportunity to bring a topic of your interest into class discussion. For this, you can work alone or in a team of two. Here is how it works:

1. Pick a topic, discuss with me, choose a time for the 1st round of discussion on a first come first serve basis. We try not to repeat topics, so make sure to decide on your topic early. *The booking window starts now and ends on Monday, November 9th at 11:00*. You will not be able to schedule if you miss the booking deadline, and you will not be able to re-schedule unless you can find a team to switch with you. Not leading a discussion will have the same result as not turning in a homework, you'll have a grade of zero for this.
2. The 1st round lasts 5-10 minutes. Basically introduce the topic, explain the main logic, talk about why you're interested in it and what we can learn from the economic perspective, etc.
3. Raise questions during the 1st discussion, from the students, and from me.
4. Do more thinking and in-depth research on the topic. Feel free to talk to me during the whole process.
5. Pick a time for the 2nd discussion, come back to answer the questions raised, and follow up with additional information and understanding of the issue.
6. Stay available to engage in further discussions of the topic you lead. Further opportunities may be provided if necessary and if time allows.
7. If you work in a group of two, each student should lead one round of discussion. Your grade will be determined mainly by the team performance.
8. The 1st round will be 50%, the 2nd round or additional follow-ups will be 50% of the score.

Group Presentation:
You'll have the opportunity to build a team of 2-3 students, pick out an interested topic, research about it as a team, and do a 9-minute presentation to the class. The presentations will be scheduled in week 15 and week 16. Each group should discuss with me about your topic and pick the time of your presentation on the first come first serve basis. *The booking will start on Monday November 2nd at 9:00 and will close on Monday November 9th at 11:00.* You will not be able to schedule a presentation if you miss the booking deadline, and you will not be able to re-schedule unless you can find a team to switch with you. Not doing a presentation will have the same result as not turning in a homework or not showing up for an exam, you'll have a grade of zero for the presentation. Your group presentation will be graded by the class (25%) and me (75%). Your personal grade will depend on your team's grade and your share of workload.

Grading:

- Attendance and Participation: 3%
- Studio (In-class Problem Solving): 10%
- Leading in Class Discussions of Selected Topics: 10%
- Group Presentation: 15%
- Midterm Exam: 31%
- Final Exam: 31%
- Extra Credit: Outstanding Contribution in Class Discussions up to 2%

Grading Conversion Table

Level	Letter Grade	Reported Numerical Score	Grade Points
Superior Performance	A	90 - 100	4.0
	A-	85 - 89	3.7
Meritorious Performance	B+	80 - 84	3.3
	B	76 - 79	3.0
	B-	73 - 75	2.7
Adequate Performance	C+	70 - 72	2.3
	C	66 - 69	2.0
	C-	63 - 65	1.7
Minimal Performance	D+	61 - 62	1.3
	D	60	1.0
Insufficient Performance (Failure)	F	< 60	0.0

Tentative Course Schedule:

Introduction

Week One (8/31)

1. Introduction to the course
2. Market Economy: Supply and Demand

Part I: Microeconomics

How Markets Work

Week Two (9/7)

3. Supply, Demand, and Equilibrium
4. Elasticity and its Applications

Government Intervention

Week Three (9/14)

5. Price Control
6. Taxation

Markets and Welfare
Week Four (9/21)
7. How Markets Improve Economic Welfare
8. The Costs of Taxation
9. International Trade

Market Failure (Part I)
Week Five (9/28)
10. Externalities

Week Six (10/5)
National Day Holiday

Firm Theory
Week Seven (10/12)
11. Costs, Competition and Profit Maximization
12. Game Theory

Market Failure (Part II)
13. Market Power (Monopoly)

Week Eight (10/19)
Monday, 10/19, 9:00 – 11:00
Midterm Exam

Part II: Macroeconomics

Economic Growth in the Long Run
Week Nine (10/26)
14. Macro Data: CPI and GDP
15. Production and Growth

Introduction to Finance
Week Ten (11/2)
16. Saving, Investment, and the Financial System
17. Bond Market and Stock Market
18. The Basic Tools of Finance: Risk Management and Asset Allocation

Money and Prices in the Long Run
Week Eleven (11/9)
19. The Monetary System
20. Money Growth and Inflation

The Macroeconomics of Open Economies

Week Twelve (11/16)

21. Interest Rates, Risks and International Capital Flows
22. Currencies and Foreign Exchange Markets
23. Living in a Globalized World

Short-Run Economic Fluctuations and Government's Tool Box

Week Thirteen (11/23)

24. Why the Economy Go Through Cycles of Boom and Bust
25. Aggregate Demand and Aggregate Supply

Week Fourteen (11/30)

26. The Use of Monetary and Fiscal Policy to Stabilize the Economy

Week Fifteen (12/7)

Group Presentations

Week Sixteen (12/14)

Group Presentations

Week Seventeen (12/21)

Review and Discussions

Week Eighteen (12/28)

Monday, 12/28 9:00 – 11:00

Final Exam

SCU Academic Calendar

四川大學

2026—2027 学年（秋季学期）校历

周次		日	一	二	三	四	五	六	月份	备注
						27	28	29	8月	1. 8月27-28日为在校生报到时间。 2. 8月28-30日为在校本科生补缓考时间。 3. 8月24-25日为本科生新生报到时间，8月27-28日为研究生新生报到时间。 4. 9月1日举行本科生开学典礼，9月4日举行研究生开学典礼。 5. 第1周起在校生正式行课，第2周起研究生新生正式行课，第3周起本科生新生正式行课。 6. 中秋节9月25日。 7. 春节2月6日。 8. 红色是节假日，停课一般不补。 9. 第19-20周为本科生期末集中考试周。 10. 政治学习、党团组织生活原则上安排在双周星期五下午进行。 11. 校秋季田径运动会在10月23-24日举行。
1		30	31	1	2	3	4	5	9月	
2		6	7	8	9	10	11	12		
3		13	14	15	16	17	18	19		
4		20	21	22	23	24	25	26		
5		27	28	29	30	1	2	3	10月	
6	教	4	5	6	7	8	9	10		
7		11	12	13	14	15	16	17		
8		18	19	20	21	22	23	24		
9		25	26	27	28	29	30	31		
10		1	2	3	4	5	6	7	11月	
11	学	8	9	10	11	12	13	14		
12		15	16	17	18	19	20	21		
13		22	23	24	25	26	27	28		
14		29	30	1	2	3	4	5	12月	
15	周	6	7	8	9	10	11	12		
16		13	14	15	16	17	18	19		
17		20	21	22	23	24	25	26		
18		27	28	29	30	31	1	2	1月	
19		3	4	5	6	7	8	9		
20		10	11	12	13	14	15	16		
21		17	18	19	20	21	22	23		
22	寒	24	25	26	27	28	29	30		
23		31	1	2	3	4	5	6	2月	
24		7	8	9	10	11	12	13		
25	假	14	15	16	17	18	19	20		
26		21	22	23	24	25	26	27		

Course QQ