

Econ 101.10J  
T,Th 10:00-11:15 a.m.  
Principles of Microeconomics  
Spring 2010

Instructor: Frank Maddox  
318 Seney Hall  
Phone-784-8357  
Office Hours: M-Th: 1:00-2:00 p.m..

**Course Description:** Econ 101 provides an examination of the role of markets and prices in the allocation and distribution of goods and services all within the context of scarcity. The course begins by analyzing the forces of demand and supply and the determination of equilibrium prices. Next the concept of elasticity is used to enhance the market model's ability to address real-world applications such as oil markets. Next, the impact of government intervention upon markets is explored via legal prices and tax policy. Using the concepts of consumer and producer surplus, the student establishes a metric for evaluating the efficiency outcomes available via markets and the impact of market failure or government intervention upon the normative economic ideal of the efficient market. The course then focuses on producer decisions, costs of production, and the concept of profit maximization. These topics are combined for an analysis of the four major types of product market structures: pure competition, monopoly, monopolistic competition, and oligopoly. The course then examines both conceptual and institutional issues regarding the operation of labor and other input markets. International trade issues, including tariffs, quotas, and arguments for free trade are discussed. Public policy and market failures as well as the microeconomics of taxation are explored.

**Course Objective:** The goal of Econ 101 is to provide an introduction to the economic way of thinking and to the economist's view of the world. The course attempts to develop a student's ability to think analytically about the economic forces at work in society. Students learn both a specific set of analytical tools and how to apply them to current policy issues. Students will learn to critique the role of the prevailing orthodoxy embodied in neoclassical theory and explore the policy ramifications of employing alternate orthodoxies.

**Method of Instruction:** The course is taught with a combination of lecture, discussions, homework problems, writing prompts, and examinations. Class interaction and the analysis of specific economic problems are stressed

**Academic Integrity:** There is zero tolerance of any breach of academic integrity in this course. Students are asked to re-read and ask any questions about the Oxford Student Honor Code. The Honor Code will be strictly enforced.

**Required Texts:** Mankiw, Gregory N. Principles of Microeconomics (5th edition) SouthWestern/ Cengage Learning, 2009. Aplia will provide students with on-line practice and graded homework assignments.

**Attendance Policy:** Attendance is required and will be recorded each class period. One point will be deducted from the student's final numerical course grade for each absence in excess of three absences.

**Examinations, Homeworks, and Quizzes:** There will be three in-term exams and an optional comprehensive final exam. If you take the final it will substitute for your lowest exam grade. Several homeworks and announced quizzes will be assigned during the semester. Homeworks will include problem sets and writing responses to assigned readings.

**Grading Policy:** Each exams accounts for 25% of the course grade—Aplia homeworks, other homework types and, announced quizzes will account for the remaining 25% of the grade. Several of your assignments will be ungraded; ungraded but completed work will be assigned a numerical grade of 94—the lowest numerical value of an A grade. Your numerical average will be converted into a final letter grade:

- A = 94 up to 100
- A- = 90 up to 94
- B+ = 87 up to 90
- B = 84 up to 87
- B- = 80 up to 84
- C+ = 77 up to 80
- C = 74 up to 77
- C- = 70 up to 74
- D+ = 67 up to 70
- D = 60 up to 67
- F = 0 up to 60

**Attendance Policy:** Attendance is required and will be recorded. One point will be deducted from the student's final numerical grade for each absence in excess of three absences.

**Make-up Examination Policy:** There are no make-up exams, because it is not possible to construct a make-up which is of equal rigor. If you miss an exam the final exam will substitute for that part of your grade.

### Important Dates

January 13	Wednesday	Classes Begin
January 18	Monday	Martin Luther King Holiday
January 20	Wednesday	Last day for changing courses
February 5	Friday	Last day for dropping courses without academic penalty
February 16	Tuesday	Exam 1
March 8-12	Monday-Friday	Spring Break
March 23	Tuesday	Exam 2

April 20	Tuesday	Exam 3
April 27	Tuesday	Classes End
April 28	Wednesday	Reading Day
See exam schedule		Final Exam

## **Course Outline**

Week 1; January 13

Chapter 1. Ten Principles of Economics

Week 2: January 18-22

Chapter 2. Thinking Like an Economist

Chapter 4. The Market Forces of Supply and Demand

Week 3; January 25-29

Chapter 5. Elasticity and Its Application

Week 4; February 1-5

Chapter 6. Supply Demand and Government Policies

Chapter 7. Consumers, Producers, and the Efficiency of Markets

Week 5; February 8-12

Chapter 7. Consumers, Producers, and the Efficiency of Markets (cont.)

Chapter 8. Application: the Cost of Taxation

Week 6; February 15

**February 16<sup>th</sup> Exam 1 (Chapters 1,2,4-8)**

Chapter 9. Application: International Trade

Week 7; February 22-26

Chapter 10. Externalities

Chapter 11. Public Goods and Common Resources

Week 8; March 1-5

Chapter 12. The Design of the Tax System

Chapter 13. Production Costs

Week 9; March 8-12

Spring Break

Week 10; March 15-19

Chapter 13. Production Costs (continued)

Week 11; March 22-26

**March 23<sup>rd</sup> Exam 2 (Chapters 6-13)**

Chapter 14. Firms in Competitive Markets

Week 12; March 29-April 2

Chapter 15. Monopoly

Chapter 16. Monopolistic Competition

Week 13; April 5-9

Chapter 17. Oligopoly

Chapter 18. The Markets for the Factors of Production

Week 14; April 12-16

Chapter 19. Earnings and Discrimination

Chapter 20. Income Inequality and Poverty

Week 15; April 19-23

**April 20<sup>th</sup> —Exam 3 Chapters 14-20**

Catch-up and Current Events

Week 16; April 26-27

Review Exam 3/Course Evaluation

April 28<sup>th</sup> --reading day

**Final Exam –Comprehensive**