

Econ 101.1J (4666)
T,Th 1:40-3:20 p.m.
Principles of Microeconomics
Fall 2012

Instructor: Frank Maddox
318 Seney Hall
Phone-784-8357
Office Hours: M-Th: 1:00-1:40 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. We will use iclickers this semester. Iclickers will be provided.

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/equipment: Mankiw, Gregory N. Principles of Microeconomics (6th edition) SouthWestern/Cenage Learning, 2011. Aplia will provide students with on-line practice and graded homework assignments. Aplia Course Key: G2KG-LR4B-N4ZF

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 two in-term exams and a comprehensive final exam. Several homeworks and announced quizzes will be assigned during the semester. Homeworks will include problem sets, Aplia assignments, and writing responses to assigned readings.

Grading Policy: Each exam accounts for 28% of the course grade—Aplia homeworks, other homework types and, announced quizzes will account for the remaining 16% 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: Make-up exams are permitted only with the permission of the instructor for cases which are deemed appropriate. In all cases it is the student's responsibility to contact the instructor via email, phone message, or in person PRIOR to the scheduled exam regarding a situation which precludes taking the exam.

Important Dates

August 29 –Wednesday- Classes begin
September 3 –Monday- Labor Day Holiday
September 5- Wednesday- Last day for changing courses
October 15 - 16 -Monday-Tuesday- Midsemester Break
October 19 –Friday- Last day for dropping courses without academic penalty
November 16 –Friday- Last Day to petition for one-time course withdrawal for Freshmen
November 21-23 -Wednesday-Friday- Thanksgiving recess
December 11- Tuesday- Classes End
December 12 Wednesday Reading Day

Course Outline

Week 1: August 29-31

Chapter 1. Ten Principles of Economics

Week 2: September 3-7

Chapter 2. Thinking Like an Economist

Chapter 3. Interdependence and the Gains from Trade

Week3: September 10-14

Chapter 4. The Market Forces of Supply and Demand

Chapter 5. Elasticity and Its Application

Week4: September 17-21

Chapter 6. Supply Demand and Government Policies

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

Week 5: September 24-28

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

Chapter 8. Application: the Cost of Taxation

Week 6: October 1-5

October 2 Exam 1 Chapters 1-8

Chapter 9. Application: International Trade

Week 7: October 8-12

Chapter 10. Externalities

Chapter 11. Public Goods and Common Resources

Week 8: October 15-19

Monday-Tuesday- Midsemester Break

Chapter 12. The Design of the Tax System

Week 9: October 22-26

Chapter 13. Production Costs

Week 10: October 29-November 2

Chapter 13. Production Costs (continued)

Week 11: November 5-9

Chapter 14. Firms in Competitive Markets

November 6-Exam 2 (Chapters 9-14)

Week 12: November 12-16

Chapter 15. Monopoly
Chapter 16. Monopolistic Competition

Week 13: November 19-23
Chapter 17. Oligopoly

Week 14: November 26-30
Chapter 18. The Markets for the Factors of Production
John Nash Movie

Week 15: December 3-7
Chapter 19. Earnings and Discrimination
Chapter 20. Income Inequality and Poverty

Week 16: December 10-11
Review /Course Evaluation

December 12 – Reading Day

Final Exam –Comprehensive (more emphasis upon material since test 2)