

Principles of Microeconomics
Economics 2302 – Sections 003 and 004
Fall, 2009

Instructor: **Susan Doty**
Senior Lecturer in Economics

Course Objectives: “Studies have shown that when students are tested about their knowledge of basic economic principles six months after completing an introductory economics course, they score no better, on average, than those who never took the course.”

The above is a quote by Robert H. Frank from an article published in the NY Times in August of 2007, called *The Dismal Science, Dismally Taught*. Dr. Frank is an economist at Cornell University who has published with Federal Reserve Chairman, Dr. Ben Bernanke.

I am personally and professionally committed to economic education and to changing these “dismal” results. Economics is a course of study that will benefit each of you regardless of major. It will have relevance to all aspects of your life and it will provide you with tools to help you view the world differently. The *economic way of thinking* is truly a unique way of approaching problems and understanding situations. Economics provides great preparation for students interested in careers in business, government, law, education, and science. It will also help you in decision-making when you vote, spend, save and make life choices.

This **Microeconomics** course is going to cover six major topic areas including the **Basic Economic Problem** (scarcity, opportunity cost, and economic efficiency), **Markets and the Price Mechanism** (basic supply and demand analysis including price elasticity and marginal utility), **Costs, Revenue, Profit Maximization, and Market Structure** (marginal analysis, revenues, costs, and profit, perfect and imperfect competition), **Market Failures, Externalities, Government Intervention and Regulation** (public goods, spillover costs and benefits, and inefficiencies of overregulation and underregulation), **Income Distribution and Government Redistribution Policies** (factor/resource markets and effects of taxes, transfers and subsidies), **International Economics** (comparative advantage, trade promotion and barriers, exchange rates and economic development).

There are some basic themes that will run through each of these topic areas and can be collectively called the “**economic way of thinking**”. If you integrate these themes into your thought processes and decision making long after this course is over, we will have accomplished something valuable together. These themes are noted below:

- People Choose
- The Choices People Make Involve Costs
- People Respond Predictably to Incentives
- People Design Economic Systems that Influence Choice and Incentives
- People Gain When They Trade Voluntarily
- The Consequences of Choices Often Lie in the Future

There are four visuals that we will use repeatedly and with which you should become very familiar. They are:

- The Circular Flow
- The Production Possibilities Frontier
- Supply and Demand Graphs
- Revenue and Cost Curves

Contact Information: **Susan Doty**
Senior Lecturer in Economics
Department of Social Sciences
The University of Texas at Tyler
3900 University Boulevard
Tyler, Texas 75799

Office: **RBN 4044**

E-mail: Susan.Doty@UTTyler.edu

Please note that e-mail is my preferred method of contact. Even if you want to talk by phone, the best way to do so is by sending me an e-mail and asking me to call you back. Please always identify yourself and provide the course and section you are in. Only if the UT Tyler server is down, use my alternate econedinstructor@gmail.com.

Phone: 903-566-7459 (Office) – 903-570-9020 (Cell for **text messages only**). Again, please be sure to identify yourself by name, course and section.

Office Hours: **MWF 9-11am**
Please note that you do not need to set up an appointment to meet with me during office hours. My office is on the 4th floor of Ratliff Building North – the Engineering Building.

Virtual Office Hours: ***My Econ Lab***, described below, allows for chats and on-line “virtual” office hours. I will schedule them as needed. I will also create the opportunity for you to “chat” asynchronously with each other in an economics discussion room.

Meeting Times: Section 003 meets MWF from 8-8:50 AM – Business 00212
Section 004 meets MWF from 2-2:50 PM – Business 00257
Please note that these rooms may change based on enrollment numbers. Also, it is fine with me if you need to switch between sections based on your schedule as long as there are seats available and it is not a test day.

Classroom Conduct: This is simply a matter of respect – mine for you – yours for each other and for me. Arrive on time and stay for the duration of class. Be quiet and attentive during lectures. Keep your electronic devices turned off. Do not photograph, audio or video tape lectures, discussions or activities. Do not copy or distribute any presentation, activity, or assessment materials from class or on-line supplement. Be honest, do your best work and learn.

Website and Text: **The required material for the course is the on-line *My Econ Lab* course website.** This will be available to you when you purchase an on-line **access card** at the campus bookstore. You may also purchase the access number on line by registering at www.myeconlab.com. The course code for this class is **XLOD-51JC-701Y-6DE2**. Either way, this access will provide you with the course website that includes the ***on-line textbook***, assignments, tutorials, quizzes and class communication. If you want a hard copy of the required textbook, **R. Glenn Hubbard & Anthony Patrick O’Brien, *Economics*, (New Jersey: Pearson/Prentice-Hall, 2nd edition 2008) ISBN 0-13-600332-X**, you have multiple options. You may buy new or used copies in the campus bookstore. You may search for used copies online. You may purchase directly from the publisher through the ***My Econ Lab*** website. All faculty members in economics at UT Tyler use the same textbook and it is used in both Microeconomics (2302) and Macroeconomics (2301) classes. For these reasons, it is a good investment and your potential for resale is high. My course communication with you will happen through the ***My Econ Lab*** website. This will be where I post announcements, link class notes, identify current events readings, and maintain your class progress.

Additional Materials: I will place several recommended reading materials in the library for you. In addition, I will refer you to articles, books, audio/video clips and websites throughout the course. Whenever possible, I will link these to your *My Econ Lab* account.

Homework: Through your *My Econ Lab* account, there will be on-line reading assignments and practice assignments for each chapter. You should read **before** class. Taking the practice exercises and reviewing the explanations will be the best preparation for the graded quizzes.

Quizzes: Administered on-line through your *My Econ Lab* account, these short graded **QUIZZES** will be due at 11:59 PM (that's one minute before midnight!) on the days noted. They will focus on the chapter reading material.

Assessments: Administered in class, these are **UNIT TESTS** that will cover both the reading and the lecture/discussion/activity material from class. You need to bring #2 pencils and green scantron (882-E) forms.

Activities: These will be hands-on active graded lessons designed to reinforce the Unit Material. Be prepared to move around, work in groups, and think "out of the box" on **ACTIVITY** days.

Writing Assignments: I will provide you with a stimulus, which may be a video clip, news article, case or book excerpt, as a writing prompt for each of these short papers. I will also provide you with my grading rubric that will identify expectations and point values for each of the five areas as follows: summary of the prompt, economic concepts raised in the prompt, explanation of the concepts raised, relevance of the economic concepts to the prompt, and your analysis based on material we have covered.

Microeconomics Challenge:

This will be a fun way to **REVIEW** for your Final Exam.

Final: The final exam is a **COMPREHENSIVE EXAM** covering any and all material from the course. You need to bring pencils, scantron forms and a blue book.

Notes: I will provide you with copies of my slides in PowerPoint form on the *My Econ Lab* website. These slides provide the skeleton for your class notes and form the foundation for my lectures and for our class discussions. You must have them each day. Please print my PowerPoint slides in three slides per page handout format **BEFORE** you come to class. (Hint: turn your printer to black and white so you don't burn up your color cartridges!) After week one, I will not provide printed copies for you. Please note that my PowerPoint slides are separate from the *My Econ Lab* chapter summary slides.

Grading: Final average will be determined by the number of points earned divided by 1100 points.

- Assessments (Unit Tests) – 3@100 points = 300 points
- Topic Quizzes – 30 @10 points = 300 points
- Activities – 3@50 points = 150 points
- Writing Assignments = 3 @ 50 points = 150 points
- Final Exam – 300 points

Make-ups will not be offered regardless of circumstance. This can be a little difficult for students to understand. "Regardless of circumstance" means exactly that. Even if you have legitimate, school-sponsored activities and/or serious personal/family/work situations that prevent you from coming to class or cause you to miss an assignment, there will be no advance testing or make-ups. I do not scale. I do not drop low grades. I do not accept late work. I do not offer "extra credit". **However**, this is not cause for panic because there are **two built-in options** available to everyone that will help you in the event of absence, missed graded work, or less than satisfactory performance. Read on...

The first is the built-in point buffer. Note that you have the opportunity to earn 1200 points over the term and I will only divide those points by 1100 to get your average. This means you could miss ten quizzes without penalty (or two activities, or one unit test, or two writing assignments ... you get the idea!) Please keep in mind that if this is how you choose to “spend” your points, they won’t be there to help boost your grade.

The second is that I will allow you to increase the value of the comprehensive final exam by 100 points to replace any one assessment (Unit Test) grade. Think through your outside commitments, study habits, testing ability, and learning preferences early on and plan your grade strategy accordingly. This type of grading is designed to reward all types of learners. The students who fail my class usually do so because they waste points early on. Be diligent right from the beginning!

- A = 90% minimum average = at least 990 earned points
- B = 80% minimum average = at least 880 earned points
- C = 70% minimum average = at least 770 earned points
- D = 60% minimum average = at least 660 earned points
- F = Less than 660 points (there’s no excuse!!!)

Class Schedule:

Please note that the plans for each class day and the assignments for your independent work are noted in detail below. You do not need to contact me to ask what we did, what we will be doing, or what your assignments are on a specific date. If you do, my likely response will be, “have you referred to the syllabus?”

Class #:

Date of Class:

Topic:

1. Wednesday, August 26 **Welcome to Microeconomics**
Introduction: The Economic Way of Thinking
Assignment: Purchase your course materials and log-in to **at www.myeconlab.com** You will need to register with the purchased access code or purchase it when you register. The course ID is XLOD-51JC-701Y-6DE2.

2. Friday, August 28 **My Econ Lab Demonstration**
Assignment: Take the My Econ Lab Tutorial
Take Tutorial Quiz on-line

3. Monday, August 31 **Scarcity, Choice & Opportunity Cost: Production Possibilities**
Assignment: Read Chapters 1 and 2 including the Chapter 1 Appendix
Take Quiz #1 on-line

4. Wednesday, September 2 **Marginal Analysis**
Assignment: Refer back to Chapters 1 and 2 including the Chapter 1 Appendix
Take Quiz #2 on-line

5. Friday, September 4 **Economic Systems**
Assignment: Refer back to Chapters 1 and 2 including the Chapter 1 Appendix
Take Quiz #3 on-line

6. Wednesday, September 9 **The Circular Flow: Markets and Players**
Assignment: Refer back to Chapters 1 and 2 including the Chapter 1 Appendix
Take Quiz #4 on-line

University Notice: Today is the deadline for all registrations, schedule changes and section changes.

7. Friday, September 11 **Comparative Advantage: The Foundation for Trade**
Assignment: Refer back to Chapters 1 and 2 including the Chapter 1 Appendix
Take Quiz #5 on-line

8. Monday, September 14 Supply & Demand: Equilibrium, Surplus & Shortage
Assignment: Read Chapter 3 and the Chapter 4 Appendix
Take Quiz #6 on-line

Notice: Dr. Walter Williams, a renowned economist from George Mason University, will be speaking on campus at the Cowen Center Thursday evening, September 17th. Please make every effort to attend. See his webpage:
<http://economics.gmu.edu/wew/>

9. Wednesday, September 16 Supply & Demand: Shifting Curves & Changing Equilibrium
Assignment: Read Chapter 3 and the Chapter 4 Appendix
Take Quiz #7 on-line

Notice: Dr. Walter Williams, a renowned economist from George Mason University, will be speaking on campus at the Cowen Center tomorrow night – Thursday, September 17th. Please make every effort to attend. See his webpage:
<http://economics.gmu.edu/wew/>

10. Friday, September 18 Elasticity
Assignment: Read Chapter 6
Take Quiz #8 on-line

University Notice: Today is the 20th Class Day.

11. Monday, September 21 Utility Analysis
Assignment: Read Chapter 9
Take Quiz #9 on-line

12. Wednesday, September 23 Indifference Curves
Assignment: Read the Chapter 9 Appendix
Take Quiz #10 on-line

13. Friday, September 25 **Unit Test One**
Assignment: Study all materials for classes #1-12

14. Monday, September 28 **Activity One**
Assignment: Background for Writing Assignment

15. Wednesday, September 30 **Writing Assignment One**
Assignment: Complete and Submit Writing Assignment

16. Friday, October 2 Business Organization
Assignment: Read Chapter 7
Take Quiz #11 on-line

17. Monday, October 5 Production and Costs
Assignment: Read Chapter 10 and Chapter 10 Appendix
Take Quiz #12 on-line

18. Wednesday, October 7 Marginal Analysis Revisited
Assignment: Read Chapter 10 and Chapter 10 Appendix
Take Quiz #13 on-line

19. Friday, October 9 Isoquants and Isocosts
Assignment: Read Chapters 11-14
Take Quiz #14 on-line

20. Monday, October 12 Industry Organization
Assignment: Read Chapters 11-14
Take Quiz #15 on-line

21. Wednesday, October 14 Perfect Competition and Monopoly
Assignment: Read Chapters 11-14
Take Quiz #16 on-line

University Notice: October 15th is the priority deadline to file Spring 2010 graduation.

22. Friday, October 16 Monopolistic Competition and Oligopoly
Assignment: Read Chapters 11-14
Take Quiz #17 on-line

23. Monday, October 19 Pricing Strategy
Assignment: Read Chapter 15
Take Quiz #18 on-line

24. Wednesday, October 21 Revisiting Supply and Demand: The Labor Resource Market
Assignment: Read Chapter 16
Take Quiz #19 on-line

25. Friday, October 23 Revisiting Supply and Demand: The Capital Resource Market
Assignment: Read Chapters 16
Take Quiz #20 on-line

26. Monday, October 26 **Unit Test Two**
Assignment: Study all materials for classes #16-25

27. Wednesday, October 28 **Activity Two**
Assignment: Background for Writing Assignment

28. Friday, October 30 **Writing Assignment Two**
Assignment: Complete and Submit Writing Assignment

University Notice: Today is the last day to withdraw from one or more courses.

Please see me if you are considering a withdrawal from Microeconomics.

29. Monday, November 2 Role of Government and “Rest of World” in the Circular Flow
Assignment: Read Chapters 4 and 5
Take Quiz #21 on-line

30. Wednesday, November 4 Public Goods
Assignment: Read Chapters 4 and 5
Take Quiz #22 on-line

31. Friday, November 6 Taxation
Assignment: Read Chapters 4 and 5
Take Quiz #23 on-line

32. Monday, November 9 Externalities
Assignment: Read Chapters 4 and 5
Take Quiz #24 on-line

33. Wednesday, November 11 Economics of Information
Assignment: Read Chapter 17
 Take Quiz #25 on-line
34. Friday, November 13 Public Choice Economics
Assignment: Read Chapter 18
 Take Quiz #26 on-line
35. Monday, November 16 Comparative Advantage Revisited: International Trade
Assignment: Read Chapter 8 and Chapter 8 Appendix
 Take Quiz #27 on-line
36. Wednesday, November 18 Trade Barriers
Assignment: Read Chapter 8 and Chapter 8 Appendix
 Take Quiz #28 on-line
37. Friday, November 20 International Finance
Assignment: Read Chapter 8 and Chapter 8 Appendix
 Take Quiz #29 on-line
38. Monday, November 23 Trade Policy
Assignment: Read Chapter 8 and Chapter 8 Appendix
 Take Quiz #30 on-line

University Notice: Thanksgiving Holidays November 25-29
 Be safe, enjoy! Remember diminishing marginal utility!

39. Monday, November 30 Geography
Assignment: Web Reading
40. Wednesday, December 2 Economic Development
Assignment: Web Reading
41. Friday, December 4 **Unit Test Three**
Assignment: Study all materials for classes #29-40
42. Monday, December 7 **Activity Three**
Assignment: Background for Writing Assignment
43. Wednesday, December 9 **Writing Assignment Three**
Assignment: Complete and Submit Writing Assignment
44. Friday, December 11 Course Wrap-Up
45. Monday, December 14 **Microeconomics Challenge**

Final Exam See Registrar's Website – There are no exceptions to the final exam schedule as set by the registrar.
Assignment: Study all material from classes 1-45. Remember that the Final Exam is comprehensive. Bring #2, pencils, pen, scantron and blue book.

Please Note: This is a **draft** syllabus subject to change before the start of classes. The final syllabus will be distributed in class and posted on the *My Econ Lab* website. The final syllabus will include language specific to the College of Arts and Sciences and the University of Texas at Tyler.