

Econ 102: Microeconomics
Instructor: James Murray, Ph.D.
Spring 2009

Course Description

Students learn about scarcity, trade-offs, opportunity costs, and production possibilities; supply and demand behavior of markets; and optimal behavior of consumers and producers under market structures perfect competition, monopoly, and monopolistic competition. Students learn about how the labor market behaves, including an understanding of how labor demand and labor supply curves are derived, and how government intervention can influence labor market equilibrium. Students learn conditions for optimality of unregulated markets, and examine market failures of externalities and public and common goods. Throughout the course the students learn the applications of microeconomics around them by reading and analyzing articles in the news.

Instructor Information

James Murray, Ph.D.
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Student Learning Outcomes

1. Students will be able to understand what it means for goods to be scarce, and what this implies about trade-offs in production possibilities.
2. Students will know how supply and demand determines prices and quantities in markets for goods and factors of production. Students will learn about how external forces can change supply and demand curves, and therefore students will be able to predict the effects of these forces on equilibrium prices and quantities.
3. Students will learn how consumers optimally choose consumption and labor supply to maximize utility.
4. Students will know how producers make production and pricing decisions in the following market structures: perfect competition, monopoly, and monopolistic competition.
5. Students will understand the conditions that guarantee optimality of unregulated markets, and understand the possibilities for market failure under conditions such as positive and negative externalities and the existence of public and common goods.

Online Resources

Much of the material used in class will be posted on the class website:
<http://www.murraylax.org/e102/spring2009/>

Blackboard will be used for regularly posting grades, turning in written homework assignments, and announcements and other communication will be done through Blackboard.

Subscription to *MyEconLab* is required for completing regular online homework assignments. *MyEconLab* is an online economics resource provided by Addison Wesley to accompany your textbook. Homework assignments done on *MyEconLab* provide you immediate feedback after answering each question. It also provides many optional exercises, and links to economics news, all designed to enhance your knowledge of economics.

Office Hours

Regular office hours are 9:30am to 10:30am and 2:00pm to 3:00pm, Tuesdays and Thursdays. These are times when you can drop by announced and expect me to be in my office. I encourage you to not feel limited to these times and just shoot me an e-mail if you would like to meet at an alternative time.

Outside of my regularly scheduled office hours, my availability changes all the time. You can visit my calendar at

<http://www.murraylax.org/calendar.html>. It is constantly updated.

Course Reading

Required Textbook:

- Parkin, Michael. 2008. *Economics*, 8th Edition. Pearson Addison Wesley.

Articles:

- Block, Walter. "Rent Controls." *The Concise Encyclopedia of Economics*.
Link: <http://www.econlib.org/library/Enc/RentControl.html>.
- Chestnut, Lauraine G., and Mills, David M. "A Fresh Look at the Benefits and Costs of the US Acid Rain Program." *Journal of Environmental Management*. 77 (2005): 252-266.
- "Food prices - Cheap no more." *The Economist*. December 6, 2007.
- Thurow, Roger. "Mali's Makeshift 'Cuisinarts' Create Peanut Butter and New Possibilities." *Wall Street Journal*. July 26, 2002.

Assessment

Learning will be assessed through weekly quizzes, homework, presentations, and exams. The grading breakdown will be:

Attendance / Participation: 10%

Quizzes / In-class Exercises / Homework: 15%

News Reports: 10%

Exam 1: 15%

Exam 2: 15%

Exam 3: 15%

Cumulative Final Exam: 15%

Grade Breakdown

93-100	A	69-76	C
89-92	AB	65-68	CD
81-88	B	57-64	D
77-80	BC	0-56	F

I reserve the right to scale everyone's grade up by the same amount on any graded item in the event that much of the class falls short of the scale above. However, even if the grades are significantly low, there is no

guarantee that I will ever do this.

Quizzes / In-class exercises

There will be many unannounced (pop) quizzes given throughout the semester. Adequate preparation for the quiz will involve reading ahead for class and completing weekly homework assignments. Classes will begin with your questions so that you can resolve any problems with assigned work before the quiz begins. Quizzes may sometimes be open book and/or open note. Sometimes in-class exercises will be given, some of which must be done in small groups. Assessment of in-class exercises and quizzes are treated identically towards the final grade.

Weekly Homework

MyEconLab homework assignments will be given almost every week. Assessment of homework assignments is treated identically as quizzes and in-class exercises towards the final grade. Doing these assignments requires registering for *MyEconLab* (without CourseCompass). When registering for *MyEconLab*, it will ask if your instructor provided you with a course ID. The answer to this question is NO.

News Reports

Everyone will be required to search local and/or national newspapers for articles that relate to concepts taught in this class, and type a report describing the news and explaining how the classroom material relates to the news, and especially important, how the economics concepts add to one's understanding of the issues in news story. All students will be required to write a rough draft of each paper, and make an appointment with the writing center to discuss how to improve your writing. Although the rough draft must be turned in, only the final draft of the paper will be assessed. I will only make comments on the rough drafts if you have specific questions about your work.

The news report must be between 700 and 1500 words, double spaced, 1 inch margins, 12 point font, and follow APA style.

Everyone will also be required to present one of their reports sometime during the semester. This presentation should take between 4 and 7 minutes and will count as three homework assignments toward the final course grade.

As an opportunity for extra credit, you may find, read, and give a very short (2-3 minutes) presentation, on an article in the news *that is directly related to concepts learned within the previous two weeks of class*. The extra credit will be worth 100% of a homework assignment. The presentation should only use the whiteboard/chalkboard or one slide for an overhead projector. The article cannot be a news article you are using for your other news reports. The extra credit news presentation must be given before the second to last week of class.

Exams

There will be three midterm exams and one cumulative take-home final exam. Each exam is worth 15% of final course grade. Midterm exams are open book, open note. All exams require a calculator, so be sure to bring a calculator to class on exam days. *The take-home final must be done independently, without assistance from any other person*, whether they are in this class or not. You may use your notes and textbook for the take-home final.

Attendance

Attendance is always required, and regular attendance and active participation are worth 10% of your final

course grade (see rubric). If you need to miss a class day or exam day for a **documentable, verifiable emergency** (serious sickness, death in the family, etc) you can be excused *if you notify me and provide verifiable documentation within two business days after the absence*. If your documentation is successfully verified by someone with appropriate authority, you will be allowed to make up missed work.

If you need to miss a class due to a University approved extra-curricular activity, and your coach or faculty/staff representative indicates it is absolutely necessary for you to miss class, you must notify your instructor before the absence, provide appropriate documentation, and arrange to complete any missed quizzes, homework, or exams *before the absence*, unless the instructor suggests alternative arrangements. Moreover, if you miss class for any reason, it is your responsibility to figure out and understand the material you missed. One-on-one help outside is intended as a supplement, not a replacement, of class discussion.

Disabilities

If you desire classroom/testing accommodations for a disability, see Jane Eddy in Murphy Center 332, or call her at (608) 796-3194, to discuss your accommodation needs. The appropriate accommodations will be provided when her office contacts me about your needs, or your present to me the appropriate paperwork from her office. No accommodation should be assumed until authorized by your instructor.

Academic Dishonesty

I follow the policy in the Academic Handbook with regard to cheating and academic dishonesty. In the event a student is caught cheating I will pursue the harshest penalty Viterbo University will allow and report the incident to the Academic Vice President, regardless of how small the offense may appear.

Students should be aware that turning in the same written work for two different classes is plagiarism, even if you are the author of the work. Collaborating, receiving help, or helping others on the take home final is also cheating. Both of these forms of academic dishonesty are very serious offenses.

Table 1: Class Participation Rubric

Criteria	Above Average	Average	Below Average
Attendance / Promptness	Learner promptly attends at least all but two classes.	Learner is late and/or misses between three and four classes .	Learner is late and/or misses more than four classes .
	16-20 points	8-15 points	0-7 points
Participation	Learner actively contributes to class by offering ideas and answering questions on average at least once per class .	Learner will go through between two and four classes not offering any ideas or answering any questions.	Learner will go through more than four classes not offering any ideas or answering any questions.
	16-20 points	8-15 points	0-7 points
Listening Skills	Learner always listens when others talk, and through participation, builds off or incorporates the ideas of others.	Learner sometimes fails to listen when others talk.	Learner often fails to listen when others talk.
	16-20 points	8-15 points	0-7 points
Behavior	Student never has private conversations, is disrespectful of others, nor is otherwise disruptive.	Student very occasionally has private conversations, is disrespectful of others, nor is otherwise disruptive.	Student often has private conversations, is disrespectful of others, nor is otherwise disruptive.
	16-20 points	8-15 points	0-7 points
Preparation	Student always demonstrates she/he is prepared with assignments and reading, with the exception of at most two classes.	Student demonstrates she/he is not prepared with assignments and reading for three or four classes.	Student demonstrates she/he is not prepared with assignments and reading for more than four classes.
	16-20 points	8-15 points	0-7 points

News Report Assessment

Category	Excellent Work	Average Work	Below Average Work
Grammar / spelling	There are <i>zero</i> grammar and spelling errors.	There are between <i>1-4</i> grammar and/or spelling errors.	There are more than 4 grammar and/or spelling errors.
	10 points	5-9 points	0-4 points
Flow of Ideas	Ideas are not necessarily repeated and there are no unnecessary ideas that do not contribute to thesis of the paper.	There are 1-3 repeated or unnecessary ideas in the paper.	There are more than 3 repeated or unnecessary ideas in the paper.
	10 points	5-9 points	0-4 points
Organization	The paper is well organized, with smooth transitions - summary of news, economic significance, economics concepts, and synthesis/discussion of news and economics concepts.	Some transitions are abrupt, some parts of the paper jump back and forth.	There are abrupt transitions, and many parts of the paper make unclear contributions.
	8-10 points	4-7 points	0-3 points
Writing Style	Writing is professional throughout, using an active voice, and is not unnecessarily verbose.	3-5 sentences are not professional and/or are unnecessarily passive or verbose.	More than 5 sentences are not professional and/or are unnecessarily passive or verbose.
	8-10 points	4-7 points	0-3 points
Summary of Article	Summary is short, to the point, and sufficient to understand main point and economic significance.	Summary includes 1-2 extra ideas not essential to main point or economic significance.	Summary includes more than 2 extra ideas, or is not sufficient to understand the point of the article or the its relationship to economics.
	16-20 points	8-15 points	0-7 points
Economics Summary	Summary of economics concepts is short and to the point, sufficient to understand how the economics concept(s) add to ones understanding of the article.	Summary of economics concepts include 1-2 extra details, or is missing at most 1 detail that is necessary to understand how the economics concept(s) add to ones understanding of the article.	Summary includes more than 2 details, or is missing more than 1 detail that necessary to the economics concept(s) add to ones understanding of the article.
	16-20 points	8-15 points	0-7 points
Economics Analysis	There are 2 or more adequately and correctly described applications of the economics model(s) that help explain the news, or add to the understanding of the issues in the news.	There is only 1 adequately and correctly described application of the economics model(s) that help explain the news, or add to the understanding of the issues in the news.	There are no adequately and correctly described applications of the economics model(s) that are adequately described.
	16-20 points	8-15 points	0-7 points

News Report Presentation Assessment

Category	Excellent Work	Average Work	Below Average Work
Presentation Tools	Style was professional, yet relaxed and inviting, and presentation tools were effective in aiding audience's understanding.	Style was professional, yet relaxed and inviting, but presentation tools needed to be moderately enhanced to aid in audiences understanding.	Style was not inviting and/or presentation tools needed to be significantly enhanced to aid in audiences understanding.
	16-20 points	8-15 points	0-7 points
Flow of Ideas	Ideas are not necessarily repeated and there are no unnecessary ideas that do not contribute to thesis of the paper.	There are 1-3 repeated or unnecessary ideas in the paper.	There are more than 3 repeated or unnecessary ideas in the paper.
	10 points	5-9 points	0-4 points
Organization	The paper is well organized, with smooth transitions - summary of news, economic significance, economics concepts, and synthesis/discussion of news and economics concepts.	Some transitions are abrupt, some parts of the paper jump back and forth.	There are abrupt transitions, and many parts of the paper make unclear contributions.
	8-10 points	4-7 points	0-3 points
Summary of Article	Summary is short, to the point, and sufficient to understand main point and economic significance.	Summary includes 1-2 extra ideas not essential to main point or economic significance.	Summary includes more than 2 extra ideas, or is not sufficient to understand the point of the article or the its relationship to economics.
	16-20 points	8-15 points	0-7 points
Economics Summary	Summary of economics concepts is short and to the point, sufficient to understand how the economics concept(s) add to ones understanding of the article.	Summary of economics concepts include 1-2 extra details, or is missing at most 1 detail that is necessary to understand how the economics concept(s) add to ones understanding of the article.	Summary includes more than 2 details, or is missing more than 1 detail that necessary to the economics concept(s) add to ones understanding of the article.
	16-20 points	8-15 points	0-7 points
Economics Analysis	There are 2 or more adequately and correctly described applications of the economics model(s) that help explain the news, or add to the understanding of the issues in the news.	There is only 1 adequately and correctly described application of the economics model(s) that help explain the news, or add to the understanding of the issues in the news.	There are no adequately and correctly described applications of the economics model(s) that are adequately described.
	16-20 points	8-15 points	0-7 points

Writing Center Appointment Verification

I hereby verify that _____(Student's name) came to the writing center and had a productive appointment regarding his/her News Report writing assignment for Economics 102: Microeconomics. I further verify the student fulfilled the following responsibilities:

1. Set up the session and arrived on time.
2. Avoided a last minute appointment.
3. Brought a description and grading rubric of the writing assignment.
4. Was engaged in the session by listening and making corrections.
5. Proofread his/her own paper before coming in.

Signature Writing Center Specialist

Print Name

Date

Preliminary Topics Schedule

Below is a schedule of topics, homework assignments, readings, and exams. This is a preliminary schedule; depending on time constraints and the topics the class finds most interesting, we may choose to not cover some of the items below, cover items that are not shown below, or re-arrange the schedule. The exam dates, however, will occur at the posted dates. The class website has a regularly updated calendar at <http://www.murraylax.org/e102/spring2009/calendar.html>

Week 1: January 13, 15

- *Topics:* Economics, Scarcity, and Production Possibilities.
 - *Required reading:*
 - Parkin, Chapters 1 and 2.
 - Thurow, Roger. “Mali’s Makeshift ‘Cuisinarts’ Create Peanut Butter and New Possibilities.” *Wall Street Journal*. July 26, 2002.
 - *Start homework:* Thursday, January 15 - Start MyEconLab HW on Production Possibilities.
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Week 2: January 20, 22

- *Homework due:* Tuesday, January 20 - MyEconLab HW on Production Possibilities.
 - *Topics:* Supply and Demand.
 - *Required reading:*
 - Parkin, Chapter 3.
 - “Food prices - Cheap no more.” *The Economist*. December 6, 2007.
 - *Start homework:* Thursday, January 22 - Start MyEconLab HW on Supply and Demand.
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Week 3: January 27, 29

- *Homework due:* Tuesday, January 27 - MyEconLab HW on Supply and Demand.
 - *Topics:* Elasticity.
 - *Required reading:* Parkin, Chapter 4.
 - *Start homework:* Thursday, January 29 - Start MyEconLab HW on Elasticity.
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Week 4: February 3, 5

- *Homework due:* Tuesday, February 3 - MyEconLab HW on Elasticity.
- *Topics:* Consumer and Producer surplus, taxes, price regulations.
- *Required reading:*
 - Parkin, Chapters 5 and 6.
 - Block, Walter. “Rent Controls.” *The Concise Encyclopedia of Economics*.
Link: <http://www.econlib.org/library/Enc/RentControl.html>.
- *Start homework:* Thursday, February 5 - MyEconLab HW on CS/PS and taxes.
- *News Report:* Rough draft and Writing Center verification due.

- Upload rough draft to Blackboard by 12pm.
 - Turn in Writing Center verification form in class on Tuesday, February 10.
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Week 5: February 10, 12

- *News Report:*
 - Tuesday, February 10 - Bring Writing Center verification form in class.
 - Friday, February 13 - News report final draft due. Upload to Blackboard by 12pm.
 - *Topics:* Preferences, Budgets, and demand.
 - *Required reading:* Parkin, Chapter 7 and Chapter 8, pages 171-174.
 - *Homework due:* Tuesday, February 10 - MyEconLab HW on CS/PS and taxes.
 - **Exam 1 - Thursday, February 12**
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Week 6: February 17, 19

- *Topics:* Exam review, output and costs.
 - *Required reading:* Parkin, Chapter 10.
 - *Start homework:* Thursday, February 19 - MyEconLab HW on output and costs.
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Week 7: February 24, 26

- *Homework due:* Tuesday, February 24 - MyEconLab HW on output and costs.
 - *Topics:* Markets for factors of production.
 - *Required reading:* Parkin, Chapter 17.
 - *Start homework:* Thursday, February 26 - MyEconLab HW on factor markets.
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Spring Break: Monday, March 2 through Friday, March 6

Week 8: March 10, 12

- *Homework due:* Tuesday, March 10 - MyEconLab HW on factor markets.
 - *Topics:* Perfect competition.
 - *Required reading:* Parkin, Chapter 11.
 - *Start homework:* Tuesday, March 10 - Excel Perfect Competition HW (worth THREE TIMES regular homework).
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Week 9: March 17, 19

- *Homework due:* Thursday, March 19 - Excel Perfect Competition HW.
 - *Topics:* Monopoly
 - *Required reading:* Parkin, Chapter 12.
-

Week 10: March 24, 26

- **Exam 2 - Tuesday, March 24**
 - *News Report:*
 - Tuesday, March 24 - Rough draft due on Blackboard by 12pm.
 - Tuesday, March 24 - Writing Center verification due in class.
 - Friday, March 27 - Final draft due on Blackboard by 12pm.
 - *Topics:* Review of exam, monopolistic competition.
 - *Required reading:* Parkin, Chapter 13.
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Week 11: March 31, April 2

- *Topics:* Monopolistic competition continued, externalities.
 - *Required reading:*
 - Parkin, Chapter 13.
 - Parkin, Chapter 15.
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Week 12: April 7, 9

- *Topics:* Externalities.
 - *Required reading:*
 - Parkin, Chapter 15.
 - Chestnut, Lauraine G., and Mills, David M. "A Fresh Look at the Benefits and Costs of the US Acid Rain Program." *Journal of Environmental Management*. 77 (2005): 252-266.
 - *Start homework:* Tuesday, April 7 - MyEconLab homework on externalities.
 - **Thursday, April 9 - Easter break, no classes.**
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Week 13: April 14, 16

- *Homework due:* Tuesday, April 14 - MyEconLab HW on externalities.
 - *Topics:* Public and commons goods.
 - *Required reading:* Parkin, Chapter 16.
 - **Exam 3 - Thursday, April 16**
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Week 14: April 21, 23

- *News report:*
 - Tuesday, April 21 - Rough draft due on Blackboard by 12pm.
 - Tuesday, April 21 - Turn in writing center verification form in class.
 - Friday, April 24 - Final draft due on Blackboard by 12pm.
- *News Report Presentations:*
 - Everyone will be required to present one of their news stories. Names will be chosen at random for the order of presentations. Presentations should be between 4-7 minutes.

- Everyone must turn in a multiple choice question about their presentation. The answer to the question must not be obvious without carefully paying attention to the presentation.

Week 15: April 28, 30

- *Start Take Home Final Exam:* Tuesday, April 28.
- *News Report Presentations (continued).*
- *News Report Exam:* Thursday, April 30.

Final Exam Due Tuesday, May 5 at 12pm
