

COURSE DESCRIPTION: Economic reasoning of individual choice in household and market decisions. Behavior of firms in competitive and noncompetitive markets, functioning of labor and capital markets, role of the entrepreneur and effects of government policies. GenEd II.C.2. [This is the catalog course description.]

LEARNING OBJECTIVES: After successful completion of Microeconomic Principles, you will be able to (1) demonstrate an understanding of the factors that determine demand and supply, (2) demonstrate an understanding of the factors that cause a change in quantity demanded or supplied versus a change in demand or supply, (3) illustrate, by properly interpreting standard economic graphs, how markets (interactions of demand and supply) determine prices and the way in which resources are used, (4) understand and be able to explain the significance of the concept of “opportunity cost,” and (5) illustrate the use of the concept of “comparative advantage” and how it serves as the foundation for international trade.

REQUIRED TEXTBOOKS: Egger, John B., *Elements of Economics*, Fall 2010 edition
 -----, *Workbook to accompany Elements*, Fall 2010 edition

WALL STREET JOURNAL: You will be expected to read articles relevant to our course that are on the front page (A1) and the editorial pages, and sometimes the first page of the “Marketplace” section (usually B1). There will be questions about them on quizzes. Student prices include both print and online editions. (Some, but not all, articles are available online without charge.) To encourage print subscriptions, students may use their newspapers on the quizzes—not article printouts from the online edition, though.

ATTENDANCE: Each unexcused absence over three (3) will reduce your grade by 2 points. Studying other subjects in class gets you an unexcused absence. Violating the “house rules” or arriving more than 20 minutes late does, also. Showing up for work isn’t optional on a professional job; it isn’t here, either.

EXAMS AND GRADING: Three exams: Wednesday, September 28 (Chapters 1-4), Wednesday, October 26 (Chapters 5-7), and Wednesday, November 30 (Chapters 8-10). **ONLY YOUR TWO BEST SCORES WILL COUNT.**

Semester grade: Best two exams 49%, Final exam 36%, Quizzes 15%. No calculators are permitted on the exams or quizzes. You should consider 60, 70, 80, and 90 the minimum numerical averages for course grades of D, C, B, and A. I do not use ± grading. Example: If your three exam grades are 63, 78, and 82, you received 11 out of the possible 14 quiz points, had a 83 on the final, and 5 unexcused absences, your average would be $39.20 + 11.79 + 29.88 - 4 = 76.87$. You should never have to wonder how you’re doing, or, say, what you’ll need on the final to be sure of a B.

QUIZZES, on non-exam Wednesdays, will be drawn from reading and lectures, Wall Street Journals and other assigned articles, and/or homework assignments, taking ten minutes at the start of class. One page of your *Workbook* may be collected as the week’s quiz. Students with print-edition WSJs may use them on the quizzes. Each quiz will be graded 2, 1, or 0, and there are no makeups for any reason. Nine will be available, but only your best seven will count.

MAKE-UP EXAMS require a good excuse. They will be given on the last day of classes, in another room.

HOUSE RULES: Actions inappropriate in this classroom include eating, drinking, the wearing of hats (without documented medical or religious reason), the use of wireless communication devices (including cell phones) and cameras, and treating others uncivilly. Violations will be treated as unexcused absences.

CHEATING on quizzes and examinations will be dealt with as harshly as the University permits, including an automatic F in this course. Disciplinary action may be pursued at the University level.

The University or the College of Business and Economics requires the following notices on syllabi:

STUDENTS WITH DISABILITIES:	REPEATED COURSE:	STUDENT EVALUATIONS:
In accordance with university policy, if you have a documented disability and require accommodations to obtain equal access in this course, please contact the instructor at the beginning of the semester and when given an assignment for which an accommodation is required. Students with disabilities must verify their eligibility through the Office of Disability Support Services (AD 232).	According to University policy, all students may repeat any course once. If repeating, you are advised to inform the instructor. For a third attempt, the student must obtain prior written approval from the Academic Standards Committee. If students enroll for a third attempt without permission, they do so at their own risk.	Student evaluations of this course play a crucial role in my delivery. This semester, all course evaluations will be administered online during the last two weeks of the course. You will receive an email with a link to the website with directions on how to access the survey. It is vitally important that you complete the survey as I use the results to modify the course and assess my teaching and the University uses the results to address technology and facility needs. You can be assured that your responses will be confidential as the results will be transmitted to me after the grading period and they will not include any identifying information.

LECTURE TOPICS AND ASSIGNMENTS

If you wish to explore beyond your textbook, start with Henry Hazlitt's 1946 classic *Economics in One Lesson* or some of its modern imitators: Thomas Sowell's *Basic Economics*, David Friedman's *Hidden Order*, Tim Hartford's *The Undercover Economist*, or the wildly popular Levitt and Dubner's *Freakonomics* and *Superfreakonomics*. A previous semester's syllabus, on my web page, contains many further suggestions.

DATES	LECTURE TOPIC, READING, HOMEWORK, QUIZZES, AND EXAMS
--/31aug	Economics... its nature and method; the Principles of Choice Assigned reading: <i>Elements</i> , Chapter 1 Hazlitt, <i>Economics in One Lesson</i> , Preface and Chapter 1 [This link gets the whole book] http://www.fee.org/pdf/books/Economics_in_one_lesson.pdf Homework: <i>Workbook</i> Exercises (pp. 1-8), all ***** THURSDAY, September 8, is the last day to add, or to drop with NO GRADE. *****
--/07sep	The concept of demand (NO CLASS Monday; it's Labor Day) Assigned reading: <i>Elements</i> , Chapter 2 Hazlitt, <i>Economics in One Lesson</i> , Chapter 2 [see link above] Homework: <i>Workbook</i> Exercises (pp. 10-18), #1-7 only QUIZ #1
12/14sep	The concept of supply Assigned reading: <i>Elements</i> , Chapter 3 Homework: <i>Workbook</i> Exercises (pp. 23-30), all QUIZ #2 Wednesday
19/21sep	Using supply and demand together to understand markets Assigned reading: <i>Elements</i> , Chapter 4, pp. 65-77 Homework: <i>Workbook</i> Exercises (pp. 32-40), all QUIZ #3 Wednesday.
26/28sep	Continuing with our examination of the nature and philosophy of markets Assigned reading: <i>Elements</i> , Chapter 4, pp. 77-91 Leonard E. Read, <i>I, Pencil</i> (http://www.fee.org/pdf/books/I,%20Pencil%202006.pdf) EXAM #1 Wednesday (Chapters 1-4)
03/05oct	The concept of cost, with applications to business Assigned reading: <i>Elements</i> , Chapter 5 Homework: <i>Workbook</i> Exercises (pp. 56-61), all QUIZ #4 Wednesday.
10/12oct	How a seller uses knowledge of cost and demand to determine his best price and quantity Assigned reading: <i>Elements</i> , Chapter 6 Homework: <i>Workbook</i> Exercises (pp. 63-68, 70-75), all QUIZ #5 Wednesday.
17/19oct	Monopoly and competition: process versus end-state perspectives, "revisionist history." Assigned reading: <i>Elements</i> , Chapter 7 Homework: <i>Workbook</i> Exercises (pp. 78-85), all QUIZ #6 Wednesday.
24/26oct	Continuing with the concepts of competition and monopoly; review and catch-up... EXAM #2 (Chapters 5-7) WEDNESDAY

DATES	LECTURE TOPIC, READING, HOMEWORK, QUIZZES, AND EXAMS
31/02nov	Exchange and comparative advantage (the basis for all trade) Assigned reading: <i>Elements</i> , Chapter 8 Homework: <i>Workbook</i> Exercises (pp. 99-106, 108-112), all QUIZ #7 Wednesday.
WEDNESDAY, Nov 9: last day to WITHDRAW with W or change to/from PASS/FAIL or AUDIT.	
07/09nov	The determination of income: labor and marginal productivity theory. Assigned reading: <i>Elements</i> , Chapter 9 Homework: <i>Workbook</i> Exercises (pp. 118-123), all QUIZ #8 Wednesday.
14/16nov	The time-preference theory of interest; present or future values to make decisions across time. Assigned reading: <i>Elements</i> , Chapter 10 Homework: <i>Workbook</i> Exercises (pp. 127-130), all QUIZ #9 Wednesday.
21/23nov	NO CLASSES; THANKSGIVING
28/30nov	EXAM #3 (Chapters 8-10) WEDNESDAY Wrapping up this section on interest, income, and comparative advantage.
05/07dec	Profit and entrepreneurship Assigned reading: <i>Elements</i> , Chapter 11 Homework: <i>Workbook</i> Exercises (pp. 143-145), all
12/14dec	Economics and the moral nature of capitalism Assigned reading: <i>Elements</i> , Chapter 12
FINAL EXAM	Wednesday, December 21, 12:30 – 2:30 PM

A NOTE ON THIS SYLLABUS: This syllabus is quite different from those I have used in previous years. This is partly because policies of the College of Business and Economics, and the University, are now requiring certain standardized wording on *all* professors' syllabi for this course. I also realized that students did not use the optional material (bibliography, and where to find other textbooks' discussions of our weeks' topics) on my older syllabi, so I've omitted it here. I have left an older syllabus posted on my web page, if you're curious about what it used to include.

ON WORK LOAD: For many years I have advised students to plan to study 6 HOURS PER WEEK, outside of class, on this course. (That makes a 5-course load a 45-hour work week, not unusual for a professional job.) Students sometimes tell me that's too much, and find my recommendation amusing (at least at the start of the semester), but I found this in our Undergraduate Catalog ("Definition of Terms," p. 22 of the 2005-6 catalog):

**Faculty expect students to spend at least two hours reading, writing
and doing research outside of class for each hour spent in class.**

Doing this much work cannot guarantee a good grade, but it greatly improves the likelihood of one.