

Principles of Microeconomics (ECON 2106, Fall 2012)

Professor: Tim Sass
Office: 528 AYSPS
Phone: (404) 413-0150
Office Hours: Tuesday and Thursday 1:30 p.m.-3:00 p.m., and by appointment
E-mail: tsass@gsu.edu
Webpage: <http://www2.gsu.edu/~tsass/>

Prerequisites:

Math 1101 or Math 1111 – College Algebra

Catalogue Description:

This course is a systematic study of the functions of markets and prices in the production and distribution of goods and includes economic analysis of international trade, public finance, labor markets, monopoly, and poverty.

Course Objective:

The goal of ECON 2106 is to provide an introduction to the economic way of thinking. 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. By the end of the course students should be able to analyze common policy issues (excise taxes, minimum wage laws, rent controls, etc.) as well as "everyday" economic phenomena, like department store sale strategies, using economic tools. Students should also be prepared to take intermediate level microeconomics.

Method of Instruction:

ECON 2106 is taught through a combination of lecture, discussion, problem sets and examinations.

Required Texts:

Krugman and Wells, *Economics*, second edition.

Lectures:

Tuesday and Thursday 11:00-12:15 Urban Life Building 220

Office Hours:

Monday and Wednesday, 1:30-3:00. These hours are reserved for students, so do not hesitate to drop in without an appointment and spend as much of this time as you need getting help. If you would like to meet with me at other times of the day, please let me know ahead of time.

E-mail:

Feel free to send e-mail to me at tsass@gsu.edu; you will generally get a prompt reply. Also, please check the course web site and your email on a regular basis for announcements.

Web Page:

The course web page is available on the uLearn system. You can access uLearn by going to the University's home page, <http://www.gsu.edu/> and clicking on the ULEARN tab at the top of the page. The web site's features are described in detail later in the syllabus.

Grading:

There will be two midterms (25% each), quizzes (20% in total) and a comprehensive final exam (30%). There will be a total of 5 quizzes. The worst score of the five will be thrown out. Therefore each quiz will count 5 percent of your total grade. Your final grade will depend solely on the total points you receive on the exams and quizzes. *There is no extra credit work available to compensate for poor exam scores.* Grades are based on a student's performance relative to the class average. The grading scale (expressed in percentages of the average score) is as follows:

A = 130% or more	C = 90-99.9%
A- = 125-129.9%	C- = 85-89.9%
B+ = 120-124.9%	D+ = 80-84.9%
B = 110-119.9%	D = 75-79.9%
B- = 105-109.9%	F = less than 75%
C+ = 100-104.9%	

Midterms/Quizzes:

The midterms will consist solely of multiple-choice questions and are based on material presented in lecture. Sample midterm questions (and answers) are provided on the class web page. Quizzes will be primarily short-answer questions. Problem sets relating to material for each quiz are available on the course web site. Answers to the problem sets will be gone over in class prior to each quiz. Dates for the midterms and quizzes are given below.

Final Exam:

Your final exam is comprehensive, covering all of the material presented in class. The date and time for the final exam are given below.

Make-Ups:

If you anticipate a conflict with a quiz or midterm, ***let me know in advance***. You can contact me via email anytime or during business hours by phone (if no one answers initially, stay on the line and leave a message). In most cases, it is possible to arrange an alternate time for an individual student to take a midterm or quiz. If you miss a quiz or midterm, let me know as soon as possible. If you have a valid reason for missing the exam (e.g. illness) and ***let me know within 24 hours*** of the scheduled exam, in most cases it is possible to take the exam at a later time. No separate make-ups for quizzes or exams will be given. If you miss a quiz and do not contact me within 24 hours with a valid reason for missing the quiz then you will receive a zero for that quiz. If you miss a midterm and do not contact me within 24 hours, you may be allowed to count your final exam extra. The "double counting" of the final exam will only be allowed under extraordinary circumstances, however.

Policy on Academic Honesty:

All students are responsible for knowing and adhering to [GSU's Policy on Academic Honesty](#) as published in *On Campus: The Undergraduate Co-Curricular Affairs Handbook*. Put simply, cheating will not be tolerated. If an instance of academic dishonesty takes place, all students involved will receive a zero for that quiz or exam or one full letter grade reduction in their final grade, whichever is greater.

Attendance and Conduct:

Attendance is not graded directly. However, since some exam material may not be in the textbook, there tends to be a strong correlation between attendance and performance on the graded exams. When in class, each student is expected to respect the rights of fellow students to learn in the best possible environment. Behavior that restricts the ability of others to learn (eg. talking during lecture or when another student asks a question) will not be tolerated and violators may be asked to leave the classroom. *In respect for other students, turn off all cell phones and pagers before coming to class.*

Course Learning Outcomes:

By the end of the course the student should be able to:

1. Define the concept of Scarcity.
2. Define Opportunity Costs, demonstrate how they affect economic decisions, and identify these costs in a given economic decision.
3. Explain and apply the concepts of Marginal Benefits and Marginal Costs to determine optimal economics decisions for both consumers and firms.
4. Describe the Benefit-Cost Principle (e.g., take an action as long as the marginal benefits are greater than the marginal costs), and should be able to apply the principle in a given economic decision.
5. Accurately explain the way in which economists use the following adjectives and the relationship among them: marginal, average, total, fixed, variable, and sunk. The student should also be able to determine in a given economic decision which costs and benefits are relevant (e.g., marginal) and which are not (e.g., sunk).

6. Recognize and interpret a Demand Curve and a Supply Curve, and should be able to identify the underlying determinants of each.
7. Describe the concepts of Excess Demand, Excess Supply and Equilibrium Quantities and Prices, and should be able to predict changes in each as a result of changes in the underlying determinants of market demand and supply or government intervention.
8. Differentiate between a Change in Demand (Supply) and a Change in the Quantity Demanded (Supplied).
9. Define the general concept of Elasticity for different variables in the demand of supply function (e.g., own, cross, income, etc.), and should be able to describe the effect of a given elasticity on economics outcomes (e.g., revenues, tax burden, policy choices, etc.).
10. Identify the differences between a perfectly competitive market and an imperfectly competitive market and the implications of each for economic outcomes.

The course outline below provides a general plan for the course; deviations may be necessary.

Course Outline		
<u>Week</u>	<u>Topic</u>	<u>Assignment</u>
1	Scarcity and Competition	Ch. 1, p. 23-25, 37-38
1-2	Gains and Costs of Exchange	p. 232-236
First Quiz: Tuesday, September 4, in class. Covers lectures #1-4		
3-4	Consumer Choice and Demand	p. 30-34, 62-71, Ch. 6
Second Quiz: Tuesday, September 18, in class. Covers lectures #5-7		
5-6	Demand, Supply and Market Equilibrium	p. 72-89, Chs. 4-5, 7
Midterm 1: Tuesday, October 2, in class. Covers lectures #1-10.		
7-8	The Firm and Costs of Production	Ch. 12, p. 226-231
Third Quiz: Tuesday, October 16, in class. Covers lectures #11-13.		
8-9	Price Takers	Ch. 13
9-10	Price Searchers	Chs. 14-16
Fourth Quiz: Tuesday, October 30, in class. Covers lectures #14-17		
11-12	Government Intervention in Markets	p. 372-375, 404-405, 561-562
Midterm 2: Tuesday, November 13, in class. Covers lectures #11-19		
12-13	Labor Markets and Unions	Ch. 20
13	Present Value and Choice Over Time	p. 239-244
Fifth Quiz: Thursday, November 29, in class. Covers lectures #20-21		
14	Income Distribution	Ch. 19
14	Property Rights, Externalities and Public Goods	Ch. 17-18
Final: Thursday, December 6, 10:45-1:15. Covers all lectures, #1-24		

Course Web Page

Course Content

Lectures

The Powerpoint lecture presentations are available here. In order to view these lectures you will either need to have Powerpoint installed on your computer or you will need to download and install the free Powerpoint. To view the slides correctly, the viewer needs to be in full-screen mode. Otherwise, the graphs will not appear properly. To advance slides or points use a mouse click. ***The Powerpoint presentations are not a substitute for attending class.*** They are intended as outlines only. Students should be prepared to supplement the outlines with notes taken in class.

Problem Sets

Copies of the five problem sets are available here. Each is keyed to the material you will responsible for on the five quizzes.

Sample Exams

Sample midterm and final exams, containing questions from old exams, are provided here.

Announcements

Schedule changes or other special announcements will be posted here. Note that you are responsible for all material that is presented in class, including any announcements. I will try to keep the web site announcements current. However, if a schedule change or other announcement is made in class but not posted on the web site that does not relieve you from the responsibility for being aware of the information.

Calendar

Includes dates for lectures, quizzes, exams and holidays.

Discussions

Forums for discussions and questions relating to each problem set, quiz and midterm are here.

Roster

Information about me, the teaching assistants and classmates can be found here.

Syllabus

A copy of the course syllabus, including hyperlinks is here.

External Links

This page has links to the Krugman and Wells text's web site as well as the web sites of some other leading microeconomics principles texts. The textbooks have on-line quizzes that you might find helpful if you want additional practice beyond the problem sets. The page also includes a link to various other economics-related materials.

My Grades

All of your quiz and exam scores as well as your current course grade are posted here.