1. How to Reach the Instructor-

Always: For every contact or communication, include the time and day of your course with me, for example 9MWF. With 125 students spread around 5 different lists, it’s a miracle if I know which class you are in, even if I know your name!

Mailing address: 1212 Rio Grande, Austin, Texas 78701.
Office Location: Rio Grande Campus, Peach Tree Office Building (603 W 13th), Room 2-C. Go up the outside stairs and knock on the door.

Office Hours*: MWF: 10:55-11:55; MW 8:55-9:55. Conferences outside of office hours can be arranged. Also, you can look for me after class. My classes end at following times and places: MWF at 10:50 and MW at 2:40 in A257; TTh at 11:50 and 4:05 in A251; TTh at 10:25 in A253.

(* On MWF I go first to hold office hours in the student lounge, then I go to my office. If I am not in my office during those office hours, look for me in the student lounge.)

Phone number: 223-3387. Tell me the time and day of your class!
Fax: 223-3777. Attention: Geoffrey Andron, including time and day of your course.
E-mail: gandron@austincc.edu. (If you e-mail, put time and day of your course in the subject line. You won’t get a response unless I know which class you are in.)

Instructor web site: http://www2.austin.cc.tx.us/gandron/.

Find information about the course, economics and your instructor here. However, the web-site is not the primary source of information for the course except as announced in class from time to time.

2. Course Description-

Principles of Microeconomics deals with the interactions between individual households and business firms. The concepts of supply and demand will be studied; students will learn what these concepts mean, how they operate, and how prices are determined. Market structure, market failure and income distribution will also be considered.

3. Required Texts/Materials-


Optional subscription to the Wall Street Journal: If you aspire to business or financial success, you must become familiar with this newspaper. I subscribed to it during college and I recommend you do so. To subscribe for half price you will need the first three digits of the RGC campus zip code, 787, and my name, Geoffrey Andron. You may use any computer with Internet browser, including those in the ACC libraries and computer centers. You may pay by credit card on line, by telephone, or have them bill you.

Either: Go to my web site at: http://www2.austin.cc.tx.us/gandron, click the link to “Course Information” and then the link to subscribe to the Wall Street Journal and subscribe as required.
Or: Very carefully type the following web address into any browser: http://subscribe.wsj.com/semester and subscribe.
Or: If you have trouble using the Internet, you may telephone 1-800-975-8602 but mention my name and ACC to get the discount.

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4. **Instructional Methodology** -
Lecture, lecture/discussion, homework, a semester project, three examinations and a final examination. You will be asked questions in class. You may be asked to read or answer your homework questions out loud in class, and your answers critiqued out loud.

5. **Course Rationale** -
This course is meant to give students insight into the dynamics of a market based economy and how through its mechanism scarce resources are allocated. The theoretical and actual role of the government in this market system will also be addressed. The knowledge gained in the course will make students better informed citizens and allow them to follow the debates over various economic events and policies reported in the news media. This course is also a foundation course that will prepare students to be successful in upper division finance, marketing, business administration, economics, government, and social work courses.

6. **Course Objectives/Student Outcomes** -
Students who complete this course will be able to understand:
- the basic concepts of scarcity and opportunity cost;
- the forces of demand and supply and how they interact to determine an equilibrium price;
- how and why equilibrium prices might change and their impact on resource allocation;
- the theory of consumer behavior;
- the theory of the firm;
- the theoretical market structures of perfect competition and monopoly.

7. **Course Evaluation/Grading System** -
Your course grade depends on three elements. First, your basic grade is a calculated grade point average based on your performance on the three exams, the semester project and the final exam. Second, this calculated basic grade point average can then be boosted up to .1 point for attendance and, third, up to another .1 point for homework. For example, if your basic grade point average for the course was 3.33, a “B”, and you received both full boosts, your adjusted grade point average would become 3.53, an “A”. The rest of this section explains exactly how each of the three elements are calculated.

**Calculation of the Basic Grade Point Average:**

All work included in your calculated grade is graded for mastery, and each piece of work is first given a letter grade according to these standards: An “A” on a piece of work, or on the course, indicates you have mastered the course objective(s) as expressed in that work (for details see above, Course Goals and Objectives); a "B" shows you have a good solid grasp but short of complete mastery; a "C" shows acceptable basic understanding; a "D" shows mostly acceptable understanding, but with some important gaps in your knowledge. Other instances receive the grade of “F”. Please note however: I do not expect a beginner in economics to produce A answers on extremely challenging or tricky questions. Similarly, there are some questions which every student should answer correctly. I adjust those letter grades accordingly, leading for example to A’s on some imperfect answers and F’s on some “nearly” perfect answers.

Then each letter grade is assigned a grade point number according to the following correspondences: A+ = 4.3; A = 4; A- = 3.7; B+ = 3.3; B = 3; B- = 2.7; C+ = 2.3; C = 2; C- = 1.7; D+ = 1.3; D = 1; D- = .7; F+ = .3; F = 0.

In calculating the Basic Grade Point Average, first an average is computed by counting the project 15% and the three exams respectively 20%, 25% and 40%. (If the student has missed any of the three exams for any reason and a makeup has not been given, the final exam grade is used in its place for this calculation.)

Some students are not required to take the final exam and do not take it, and the above becomes their basic grade (possibly to be boosted for attendance and homework). However, if a student does take the final exam it counts for 85% if it is pulling your grade up and only 35% if it is pulling your grade down. (The other percentages are reduced in proportion as needed for this calculation.)

Having calculated the Basic Grade Point Average as described above, the next steps are the attendance boost and the homework boost, and here is how each is calculated:

**Attendance boost:** The Attendance boost can be up to .1 of a grade point. Everyone starts out with 50 Attendance Points. Some people join us late during drop and add, but once your name is on my class list, you
lose 15 Attendance Points each time you are absent, 5 each time you are late, and sometimes 5 if you leave class early. As long as you lose 40 points or less you are given the full .1 Attendance boost, 45 to 50 points earns half the boost and beyond that no boost.

**Homework boost:** Homework Points can boost your final grade up to .1 of a grade point. Everyone begins with 50 Homework Points. Your grade boost is in proportion to the percentage of those 50 points (your own higher total if you have given you extra homework) which you still have at the end of the semester. Each assignment has point values which are lost if the assignment is not ready if I ask for it when due, or if it does not show sincere effort. I do not require that homework be done well, only that it show evidence of your sincere effort, diligence and attention. Sometimes I will pick up some students’ work and not others, using a random process. Also, if I discover you are not doing well in the course, or are not doing your homework, I may ask for more of your homework since I need you to study harder. If I pick up more than 50 points worth of your work I will start giving you extra homework points. Often I will not pick up any of the homework due and instead proceed with lecture.

Unless otherwise noted, a homework assignment is worth 5 Homework Points. However, the semester project costs 15 Homework Points if turned in late for any reason and 10 additional points during each day late, so protect yourself by turning it in early.

In summary, you can earn the full “homework boost” simply by doing the homework, showing a sincere effort on your regular tasks, and having your homework ready on time.

**Final calculation of your grade:** The boosts from attendance and homework are added to the Basic Grade Point Average to get the final adjusted grade point average. Your course grade then comes out of the following lists of correspondences: A+ = 3.96+; A = 3.76-3.95; A- = 3.51-3.75; B+ = 3.21-3.50; B = 2.81-3.20; B- = 2.51-2.80; C+ = 2.21-2.50; C = 1.81-2.20; C- = 1.51-1.80; D+ = 1.21-1.50; D = 1.81-1.20; D- = .51-.80; F+ = .21-.50; F = .20 or less. For example, if your final adjusted grade point average was 3.37 you get a B+.

8. **Course Policies and Requirements**

If you continue in this course and do not drop it, this signifies your acceptance of the terms of this syllabus. This syllabus describes how you will be graded in the course and what actions you must take to earn the grade. Your grade will be determined by the policies and procedures set down herein. No exceptions will be made. Therefore read it carefully and switch to some other course if you prefer a different system.

You must be on the Official Roll Sheet: Unfortunately, college policy does not permit you to attend my class after the date of the official roll sheet, or receive a grade for the course, unless your name is on that official roll sheet. The official roll sheet will be available Feb. 3, 2003 and I will let you see it next class period. Each of you agrees to confirm that your name is on the official roll sheet, and each of you agrees to leave my class if your name is not on the official roll sheet. I should mention that if there is a problem with your registration or financial arrangements, and your name falls off or does not appear on the official roll sheet, you will need to seek assistance elsewhere, because they tell me there is nothing I can do to help you. So do your registration and financial arrangements carefully. That way you will be sure you have a right to be on the official roll sheet.)

Attend class, and sign the daily roll sheet: There is a grade boost for attendance based on attending class, arriving on time and staying for the entire class, all of which is determined from your initials on the daily roll sheet. You must remember to sign the roll sheet each time before class begins or while the roll sheet is circulating, because the roll sheet is used to calculate your attendance grade boost. I pick up the roll sheet shortly after class begins. After that you will be marked either absent or late. Inform me right after class so you will be marked late rather than absent. I give no attendance credit to students who forget to sign the roll sheet and later tell me they were present, so please don’t come to me later in the semester trying to “correct the record”. Also, much as I would like to, I don’t give attendance credit for so-called “excused absences”. Instead, I let you miss a full week of class without any attendance grade boost penalty. So please note that being absent or late due to bad luck has the same effect as being absent or late on purpose.

Withdrawals: The drop deadline is April 21, 2003. Student, not instructor, is responsible to drop you from this course! If you are unable to drop the class yourself, I may assist you at my option as a courtesy if you ask me in time, but you must send a note or e-mail explaining why you cannot do this yourself.

Incompletes: You may withdraw as permitted by the college, but I seldom give incompletes. When you take the course and accept the syllabus you agree to complete the work in timely fashion. Generally my incompletes require at least a C average on completed work, no more than two weeks of absences from lecture, and an
unavoidable emergency which prevents you from taking the final exam. You must provide documentation which is verifiable. Also: I don’t give incompletes, or permit students to take the final exam early, merely so my students can have a cheaper or more convenient flight home. So please verify that you can be present on last day of class when the final exam is given.

Scholastic dishonesty: Acts prohibited by the college for which discipline may be administered include scholastic dishonesty, including but not limited to cheating on an exam or quiz, plagiarizing, and unauthorized collaboration with another in preparing outside work. Academic work submitted by students shall be the result of their thought, research or self-expression. Academic work is defined as, but not limited to tests, quizzes, whether taken electronically or on paper; projects, either individual or group; classroom presentations, and homework.

I give an F for the entire course to students who provide false information (such as on an attendance sheet or an exam) and to students who permit their work to be copied. Don’t sign the attendance sheet for an absent friend—you both get an F for the course.

Quietly let me know if you think someone is copying your answers during an exam, or both you and the other culprit may receive an F for the course.

I want you to help each other on homework, but this does not mean letting someone see your answers and copy them. This cheats everyone. Discuss how to do the problems, but write up your own answers! If copying occurs, I will hope to give both students an F for the course, so if you think someone has copied your work, LET ME KNOW IMMEDIATELY.

Academic Freedom: This instructor actively seeks student questions and opinions, and no opinion expressed by a student will negatively effect that student’s grade in this course. The goal of this course is mastery of tools and ways of thinking used by mainstream economists to analyze economic and social issues. The instructor has the role of ensuring that student questions, comments and expressed opinions further these goals. Also, students have the academic freedom to take other courses, or this course from a different instructor.

Students with disabilities: Each ACC campus offers support services for students with documented physical or psychological disabilities. Students with disabilities must request reasonable accommodations through the Office for Students with Disabilities on the campus where they expect to take the majority of their classes. Students are encouraged to do this three weeks before the start of the semester.

Redemptive final exam: If you take the final exam and your score is above your Basic Grade Point Average it will count for 85% of your grade, and only 35% if it is below, so you see that the final exam is “redemptive”—it can turn an “F” student into an “A” student.

Homework: I will pick up some but not all the homework you prepare. If I ask for yours on the due date you avoid a homework point penalty if it is ready. Time permitting I like to go over homework in class, reading answers to the class and correction them out loud. This system gives instant feedback, shares comments on individual answers with the whole class, and helps students see how an economist would answer the questions. Incidentally, don’t expect your homework to be returned to you. I keep it until the end of the semester.

Late homework: Late homework should be turned in, but is not graded (except the semester project), and earns homework penalty points. No distinction is made between excused and unexcused absences.

Join a Cover Group: You will join with two or more students from this class to form a Cover Group. These students agree to cover for each other if anyone misses class. This means they agree to tell you what you missed (including assignments and announcements) and share copies of their lecture notes. By the start of the third lecture you attend, your Cover Group must turn in to me a paper with the name, days and time of your class and every member’s name, e-mail address and phone number. I will keep this, so make copies for yourselves! The penalty for not turning this in on time is 10 Homework Points, plus 5 per week late.

Getting Missed Lectures: You get missed lectures and homework assignments from a member of your cover group or other classmates, not from your professor. Each time I give a lecture, several students are absent for various reasons. Often they ask me later, “what did you say in class?” It is completely impractical to give the lecture over and over to every student who misses it. You will find me very accessible and willing to help with anything you do not understand. But get what you missed from members of your Cover Group or your fellow students. Have them take excellent notes and/or tape the missed lectures and tell you what you missed. You are responsible to know everything said in each missed lecture within twelve hours of your return to class if you are away, including all assignments and announcements.

Exams: The first two exams are not cumulative, though the coverage may overlap. The third exam is cumulative and counts for 40% of your grade to that point. The final exam is cumulative also. The final exam is given on the last
day of class and special provisions are not made for students to take it earlier or later.

**Missed regular exams.** If you fail to take one or more of the three regular exams, for any reason, your score on the comprehensive final exam will then used in place of the missed exam(s) unless at my option you are required to take a makeup exam, which at my option may be any kind of written or oral exam and may be longer than the regular exam.

**You are required to take the final exam if you:**
- Lose more than 50 Attendance Points (equivalent to missing about 1½ weeks of class);
- Miss class or are 10 or more minutes late more than one lecture between the third exam and the last day of class.
- Fail to take any regular exam, for any reason (even if I have given you a makeup exam).
- Do not turn in the Graded Project--Analysis of a Market--by the due date, or earn a grade of less than C on it.
- End up with zero Homework Points.

Otherwise you do not need to take the final. However, you may take it if you wish.

**Absence for final exam:** If you are required to take the final exam, unexcused absence results in an “F” on the final and also on any exam you failed to take. Do not ask to take it later because you have several exams that day, or wish to attend a wedding. Don’t ask to take it early so you can have a cheaper airfare home. Only acts of God (such as severe illness) are acceptable excuses to miss the final exam. You must supply written, official, verifiable DOCUMENTATION, which I may keep and which contains information how to contact you. (False statements would constitute academic dishonesty.) To make up the exam, at my sole discretion I may do one or more of the following: give an incomplete; create and administer a substitute exam (which may be an oral exam); substitute the average score earned on your other exams; give you a written assignment; or make some other arrangement.

No “extra credit”: I am happy to suggest additional work, however your grade will be based entirely on the project, exams, final exam and grade boosts as described above.

**The semester project:** It will be single-spaced and a maximum of 3 pages long, not counting any tables or diagrams. (I will not read beyond the third page!) It will be due our first class of Week 14. This project will be given a letter grade and counted for up to 15% of your course grade. If the Project is turned in late but before the beginning of your next scheduled lecture, I will grade it but the grade will not be used to pull up your course grade, even if you do very well. Later than that the Project earns the grade of F, unless you can document the reason to the same standards as for missing the final exam. The project: pick a market of your choice and analyze it, using the ideas learned in this course as your framework. Your grade will depend on the extent to which you demonstrate mastery of the ideas of the course which bear on the market you choose.

9. **How to succeed in this course**-

Budget a lot of time for this course. To excel, even the best students often need six hours per week for homework, reading, reflection and exam preparation. The rest of us need a bit more. Schedule regular time for this course. Start the readings immediately, do all the assigned readings, and complete them on time, preferably before the topic comes up in lecture. Don’t be overly concerned about difficult concepts you don’t understand at first. We will hit that stuff in lecture. Focus on the interesting facts, the history, the vocabulary and the material relevant to the problems at the ends of the chapters. Plan on reading about 40 pages per week. Time passes quickly in the second half of the course, so read ahead in the early weeks. Then later you can use your time for reflection, homework and review.

Both text and lecture are crucial to your success. Because of time limitations and other factors, **some crucial material is covered only in the text**, and not in lecture. You will need this information to succeed in the course. Almost no one passes my course without owning his/her own book from the beginning. If you cannot afford the book, drop the course!

Both text and lecture are crucial to your success. **Attend all lectures.** Historically, 80% of the students who miss more than six of my lecture hours end up with “D”s or “F”s in my classes, even though I impose no penalty for missing class. And 80% who miss less than four earn a “C” or higher.

Create and maintain a complete and accurate set of lecture notes. Important material is covered only in lecture or very differently (we hope, better) in lecture. Without good notes, review of the lectures may be impossible. My “A” and “B” students tend to have at least three pages of notes for each lecture. Use a study group or your “Cover Group” to accomplish this.

Do all assigned homework problems. **I ask you to try ALL the questions at the ends of ALL the assigned chapters. Also attempt ALL other homework problems I may give you.** I do not ask you to write out all these answers.
However, think about and work on each problem until you are sure you know how to solve it correctly. Talk to your fellow students. If you are unsure of a solution, ask. I do not pick up most of your homework, but still it is critical to your success.

Discuss your readings and homework with your classmates! Hop on the phone to a friend to discuss difficult concepts in the readings. Create a study group. Remember, you learn by helping and you learn by being helped, so everyone wins if you feel free to ask each other and help each other. I am willing to give high grades to everyone. It is smart, efficient common sense to work together.

The only bad question is the one unasked. Ask a friend. Discuss with members of your study group. And if you remain unsure, ask me. Do not let yourself remain lost.

Review all readings, lectures and assigned homework at least twice before each exam.

Focus on the third exam: The cumulative third exam is excellent practice for the cumulative final exam. Approach all the exams with great vigor, but especially the third exam. And by the way, almost all students who significantly boost their course grade via the final are students who have taken the third exam.

I make myself more available than other professors. Look for me in the student lounge on MWF at 11, or in my office during office hours.

10. About your professor-

Dr. Geoffrey Teetor Andron received his BA from Stanford University and his Ph.D. from The University of Chicago. He has taught at the graduate and undergraduate level for more than sixteen years and at Huston-Tillotson College from 1990 through 2001.

Before reentering academe in 1990, Dr. Andron spent more than a dozen years in professional investment management, including five years with a stock market and venture capital investment firm with $20 million under management and five years as a stock market strategy consultant for the California firm, Andron Capital Management. He also spent one year as Chief Economist for the City of Austin Budget Office and almost three years as a consultant on the economics of environmental issues for the US Environmental Protection Agency.

His research interests include international economics; economic development and finance; the theory of general equilibrium and public choice as related to economic efficiency and the distribution of income, economic efficiency and the proliferation of monopoly power; and the macroeconomics of large economic shocks which lead to deep depressions.
11. *Course Outline/Calendar-*

Dates, topics and assignments may be changed as announced in class, including exam coverage and dates. Homework assignments are given on a separate sheet. Unless otherwise noted, all readings are from the Colander 4th edition Microeconomics text. If you purchased the “full text” (Macro plus Micro) the chapter numbering is different. **Full text** chapter numbers are given in parentheses ().

This syllabus assumes essentially the entire text will be assigned. Class time conforms fairly closely to the readings, though class time of necessity is devoted to the harder parts of each chapter, and students are asked to master the rest on their own.

Timing is given by Week. There are 16 weeks in the semester.

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter or Special Topic</th>
<th>Focus Comments</th>
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<tbody>
<tr>
<td>Weeks 1-3</td>
<td>Ch. 1. Economics and Economic Reasoning</td>
<td>Introduction and key principles of economics and microeconomics, including:</td>
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<td>(Starts 1-13-03)</td>
<td>Appendix A Graphish: The Language of Graphs</td>
<td>“The Model of the Big Picture”—how and why are the components of a modern economy so complex and interrelated.</td>
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<td>Ch. 2. The Economic Organization of Society</td>
<td>Math and graph review on your own but expect to be tested on this.</td>
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<td>Appendix A The History of Economic Systems</td>
<td>Chapter 2 you can handle on your own.</td>
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<td>Ch. 3. The U.S. Economy in a Global Setting</td>
<td>This Appendix definitely is worth knowing.</td>
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<td></td>
<td>Differences in opportunity cost account for: specialization and the division of labor; comparative advantage and international trade.</td>
<td>This chapter introduces many features of a modern economy, including business, types of goods, roles and influence of other major sectors such as households and government, but also: <strong>Be sure to focus on:</strong> The global setting for international trade, global corporations, international trade and world economic geography, the differences between international and domestic trade, our international competitors and trading partners, institutions which regulate, support or encourage international trade. These ideas are presented primarily in lecture--be there! The following topics also may be covered: Who gains from intl. trade or from specialization, and who loses? The concept of “pareto gains”. Do all nations experience pareto gains from international trade? Does the world experience pareto gains?</td>
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<td>Ch. 4. Supply and Demand</td>
<td>Learn the basics of supply and demand, including the distinction between changes in supply or demand and changes in quantity supplied or demanded.</td>
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<td>Application of supply and demand to international economics--the foreign exchange markets.</td>
<td>What are the factors and forces which determine exchange rates between the different currencies of the world? Do foreign exchange markets exist for international trade, or do they exist for specialization in</td>
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<td>Week 4</td>
<td>Ch. 5. Using Supply and Demand</td>
<td>Treat Chapters 11, 12 and 13 as a unit. Learn how they are related to each other.</td>
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<td>Weeks 5-6 (Start 2-10-03)</td>
<td>Ch. 6. Describing Supply and Demand: Elasticities</td>
<td>Ceilings, floors, tariffs, taxes, quotas and regulations. What are their impacts on suppliers, buyers and society? What are the proper roles of government?</td>
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<td>Ch. 7. Taxation and Government Intervention</td>
<td>Elasticity requires some math—sorry. But some will say, &quot;It sure beats graphs&quot;!</td>
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<td>Special topic: Tariffs on internationally traded goods</td>
<td>Consider the impact of a tariff, a tax on imports. Ask the same three questions given just above. Be surprised to learn that a tax on imports can hurt exporters, for example taxing imported automobiles can hurt U.S. farmers who export wheat.</td>
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<td>Week 7 (Start 2-24-03)</td>
<td>Exam 1.</td>
<td>Exam 1. covers Chs. 1-7, lectures, homework. Be sure to include the material on international trade and international economics!</td>
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<td>Ch. 9 Production and Cost Analysis I</td>
<td>To master the next topic, the theory of markets, we need some basic understanding of the theory of the firm. Focus on the concepts of marginal cost and average cost. Consider this a sneak preview of the theory of the firm. We will come back to it again in a few weeks.</td>
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<td>Weeks 8-9</td>
<td>Market Structure and Policy</td>
<td>Treat Chapters 11, 12 and 13 as a unit. Learn how they are related to each other.</td>
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<td>Ch. 11. Perfect Competition</td>
<td>This is the market structure most economists prefer. Why? Is it stable? What must be done to create and maintain competitive markets and capture the benefits of competition?</td>
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<td>Ch. 12. Monopoly</td>
<td>In addition to the basic theory of monopoly in Ch. 12, the monopoly discussion is extended to include Price Discrimination as a possible option for some monopolists. For both monopoly and price discrimination, consider the social welfare (efficiency) effects in addition to who gains and loses, because monopoly and price discrimination reduce economic efficiency, though perfect price discrimination may not.</td>
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<td>Appendix A of Ch. 12. The Algebra of</td>
<td>The algebra of Appendix A is important if you will take...</td>
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<td>Weeks 10-11 (Start 3-24-03)</td>
<td>Exam 2.</td>
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<td>Exam 2 is probably the last class of Week 10.</td>
<td>Exam 2 probably will cover Chs. 9 and 11-13 plus lectures and text</td>
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<td>Ch. 8. The Logic of Individual Choice: The Foundation of Supply and Demand</td>
<td>Key ideas from consumer choice. Know in particular the following terms: budget constraint, utility, marginal utility. Also know that a profit maximizing consumer will equalize the marginal utility of a dollar for all goods in the budget, or equivalently, equalize all marginal utilities of each such good divided by its price.</td>
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<td>Appendix A of Ch. 8. Indifference Curve Analysis.</td>
<td>Read Appendix A carefully. We use it to explore the next topic--Labor Leisure Choice. Particularly know budget line, substitution effect, income effect, indifference curve</td>
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<td>Labor-Leisure Choice--another perspective on the labor market.</td>
<td>Labor Leisure Choice--an application of the indifference curve model. Compare and contrast what you learn about labor in Chapter 21 to what the labor-leisure choice model tells you. Additional vocabulary--wage line.</td>
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<td>Ch. 21. Labor and Resource Markets.</td>
<td>Read this chapter mostly on your own, focusing on the idea that labor is bought and sold in markets just as are goods and services.</td>
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<td>Appendix A to Ch. 21. Derived Demand.</td>
<td>In a modern economy, many goods and services are needed mainly because they are incorporated or used in the production of other goods, hence the term “derived demand”. This is a very important idea.</td>
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<td>Weeks 12-13 (Start 4-7-03)</td>
<td>Ch. 9. Production and Cost Analysis I Ch. 10. Production and Cost Analysis II</td>
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<td>The theory of the firm contained in these two chapters explains how production and business are organized and the principles which govern.</td>
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<td>Week 14 (Start 4-21-03) <strong>Project Due</strong></td>
<td>Project due first class of Week 14 Ch. 14. Growth, Technology, and Real-World Competition</td>
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<td>See Syllabus for project details. Counts max. of 15%.</td>
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**This chapter includes a discussion of the impact of globalization: global corporations intensify competition. Also we discuss whether or not globalization increases the tendency toward monopolized markets.**
<table>
<thead>
<tr>
<th>Week 15</th>
<th>Ch. 20. Who Gets What? The Distribution of Income (Also review Ch. 21)</th>
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<tr>
<td>Exam 3</td>
<td>In addition to the basic theory of the determination of income, if time permits we will also discuss the international distribution of income, making three points: 1--Some wages are lower because the people are not as productive, some because necessary factors of production are lacking in the country where the resources are located. 2--International trade tends to reduce international inequalities of wages for equally productive people in different countries. 3--But barriers to immigration may prevent people from finding the high paying jobs they are capable of doing.</td>
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<tr>
<td>(Comprehensive)</td>
<td>Exam 3 covers all chapters, lectures and homework to date.</td>
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<td></td>
<td>Students must do most of this reading on their own.</td>
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<td>If time permits, this also may be the right time to discuss the economics of politics--public choice. Students find median voter theorem very interesting, also</td>
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<tr>
<td>Week 16</td>
<td>Ch. 19. International Trade Policy</td>
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|          | (It might be better to cover this chapter in Week 14 right after Ch. 14. I may try this next semester.) Topics 1 and 4 were covered early in the semester. Review now. Topics 2 and 3 are new. 1. Comparative advantage and the gains from trade. 2. Absolute versus comparative advantage--any role for the former? The main idea here is that comparative advantage mostly governs for countries with separate, floating currencies. But if exchange rates are fixed, or the countries operate with a common currency like under the new Euro, countries behave just like regions within a country, and regions may experience difficulties for which the only solution is Hari Kari. After a discussion, assign Problem 22 from the handout called Homework Activities for International Economics--Microeconomics. 3. Types of, and reasons for, trade restrictions. 4. The role of the foreign exchange markets and determination of exchange rates.
<table>
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<tr>
<th>Final Exam</th>
<th>Review</th>
<th>Comprehensive final exam covers entire course, including topics from international economics.</th>
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<td></td>
<td>Final Exam on last day of class.</td>
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</table>
Partial List of Assignments for Microeconomics

Please note: Additions, changes and deletions are given in class and not always entered here. Not all class assignments get on this list and some assignments are deleted by announcement in class. You and your study partners are responsible to know about changes.

Readings: Reading assignments are listed in the Calendar/Outline section of the Syllabus. Complete readings before the end of the week assigned and before they are taken up in lecture.

Due Dates: The start of the last class of the class week shown for the relevant chapter, unless stated otherwise.

Homework Points: Unless announced otherwise, each assignment penalty is 5 Homework Points, and if you fail to turn in a requested assignment on the due date, for any reason, you will be assigned the penalty.

If I ask you to turn in an assignment: You must put the assignment number on the front page of the assignment, also your name and the time your class meets (for example 1:25MW).

Voluntary Bull Sessions. Most Mondays, Wednesdays and Fridays I will look for any of my students in the student lounge around 11:00 AM to talk about economics or whatever, and answer questions informally.

Repeating Assignments: In each assigned chapter, always:
1) As you read, attempt to answer all Margin Questions, and then look at the answers given at the end of each chapter.
2) Study the Chapter Summary.
3) Be sure you understand all Key Terms.
4) Very important: look at ALL Questions for Thought and Review, and be sure you know how to answer them.
5) Go to the web and at least begin to answer all the Web Questions.

Other assignments: To be announced in class.