

## E/M 102 Principles of Microeconomics

Spring 2012  
2:30-3:20 MTWR  
Beck 111

Instructor: Jeff Owen

email: jowen@gustavus.edu

Office Hours: M,W,F 1:30-2:30, T 12:30-2:30, or just stop by.

Office: Beck 149

Phone: 933-7420

Course Description: Microeconomic theory is essentially concerned with *choice* in the face of *scarcity*. Since all things (including time) have limited supply, choices have to be made as to how they will be used. Microeconomic theory seeks to explain how agents (individuals, families, firms, governments, etc.) make these choices. Central to this theory is the assumption that agents seek to *optimize* their outcomes through *efficient* use of the resources available to them. Fundamental to this way of thinking is the *marginal principle*, which focuses attention on the net effect of an action instead of the overall outcome. The principal objective is to learn how to look at decision problems using economic theory: that is, to *think* like an economist. As we will see, this way of thinking can be applied to many situations beyond the scope of what is usually considered economics.

Course Materials: (1) *Microeconomics* by David Colander (8<sup>th</sup> ed.). {This is the primary text.}

(2) *The Economics of Public Issues* by Miller, Benjamin, and North (17<sup>th</sup> ed.)

Course Requirements: This course will move quickly, covering a chapter or two every week, so it is important to attend class every day and keep up with the reading assignments as indicated in the course outline. If you are unable to attend a class please let me know in advance.

Homework problem sets will be due in class one week after they are assigned. No late assignments will be accepted unless prior arrangements have been made. You are encouraged to work together in groups but should write up your own solutions in your own words. Doing problems is the best preparation for the exams so it is important to understand *how* to do the problems.

Fridays will generally be devoted to discussion of readings from *Public Issues*. We will discuss two or three readings each day and you will submit responses to the discussion questions for one of the readings. If you are unable to attend class on a *Public Issues* day, you will need to submit responses to the discussion questions for *all* of the readings.

Grading: Grades will be determined as follows:

In Class Exams (10% each)	30%
Final Exam	20%
Homework (5% each)	30%
<i>Economics of Public Issues</i> Assigns.	10%
Participation	10%

Grading Scale:

100%-90%	A
90%-80%	B
80%-70%	C
70%-60%	D
60%-	F

Academic Honesty: Gustavus has the following Honor Code statement:

**“As a community of scholars, the faculty and students of Gustavus Adolphus College have formulated an academic honesty policy and honor code system, which is printed in the Academic Bulletin and in the Gustavus Guide. As a student at Gustavus Adolphus College I agree to uphold the honor code. This means that I will abide by the academic honesty policy, and abide by decisions of the joint student/ faculty Honor Board.”** Violations of the Honor Code will be pursued in accordance with the Academic Catalog.

Student Learning Accommodations: Gustavus Adolphus College is committed to ensuring the full participation of all students in its programs. If you have a documented disability (or you think you may have a disability of any nature) and, as a result, need reasonable academic accommodation to participate in class, take tests or benefit from the College's services, then you should speak with the Disability Services Coordinator, for a confidential discussion of your needs and appropriate plans. Course requirements cannot be waived, but reasonable accommodations may be provided based on disability documentation and course outcomes. Accommodations cannot be made retroactively; therefore, to maximize your academic success at Gustavus, please contact Disability Services as early as possible. Disability Services (<https://gustavus.edu/advising/disability/>) is located in the Advising and Counseling Center.

Help for Students Whose First Language is not English: Support for English Language Learners (ELL) and Multilingual students is available via the College's ELL Support staff person, Andrew Grace ([agrace@gustavus.edu](mailto:agrace@gustavus.edu) or x7395). He can meet with individual students for tutoring in writing, consulting about academic tasks, and helping them connect with the College's support systems.

## E/M 102 Principles of Microeconomics Course Outline

*{Schedule is subject to change}*

<u>Week 1</u>		<u>Chapters</u>	<u>Assignment</u>
Feb. 6-10	Introduction, Production and Trade	1, 2	
<u>Week 2</u>			
Feb. 13-17	Economic Institutions, Supply and Demand	3, 3A, 4, 5	HW1
<u>Week 3</u>			
Feb. 20-24	Elasticity	7	HW2
<u>Week 4</u>			
Feb. 27-Mar. 2	Taxes	8	<b>Exam I</b>
<u>Week 5</u>			
March 5-9	Consumer Choice	10, 10A	HW3
<u>Week 6</u>			
March 12-16	Production and Cost	12, 13, 13A	HW4
<u>Week 7</u>			
March 19-23	Perfect Competition	14	<b>Exam II</b>
<u>Week 8</u>			
Mar. 26-30	Monopoly	15	
<u>Week 9</u>			
<b>April 2-6</b>	<b>Spring Break</b>		
<u>Week 10</u>			
April 9-13	Monopolistic Competition and Oligopoly	16, 16A, 11, 18	HW5
<u>Week 11</u>			
April 16-20	Factor Markets	19, 19A, 19W	<b>Exam III</b>
<u>Week 12</u>			
April 23-27	Income Distribution	20	
<u>Week 13</u>			
April 30-May 4	Externalities, Public Goods	21	HW6
<u>Week 14</u>			
May 7-11	Social Policy	23	
<u>Week 15</u>			
May 14-16	TBA		

**Final Exam—Tuesday, May 22<sup>nd</sup>, 8:00-10:00**