

**Econ 2106: Principles of Microeconomics
Spring 2007**

Call # 54615: 9:30 – 10:45 Tu/Th, 300 Fine Arts Building
Call # 74616: 12:30 – 1:45 Tu/Th, 213 Student Learning Center

Instructor: Dr. Frank F. Limehouse
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Office Hours: - Tuesdays and Thursdays: 3:30 – 5:00pm
- Wednesdays: 4:00 – 5:00pm
- Other times by appointment. Come to the podium after class to schedule an alternate time.

TAs: Audrey E. Rajnak (rajnak@terry.uga.edu)
- Office hours: TBA
Divya Balasubramaniam (divya@uga.edu)
- Office Hours: TBA

Course Overview: This class is an introduction to laws governing the use of scarce resources by producers and consumers in market economies, with emphasis on the role played by prices. The consequences of government involvement in the economy are studied, with examples taken from current policy issues.

Text: Mankiw, *Principles of Microeconomics*, 4th ed.

Course Web-site: <http://webct.uga.edu> .

Attendance: Attending class is crucial to understanding the material and thus doing well in the course. I will sometimes cover material that is not in the text. Poor attendance will make it difficult for you to keep up with the material I expect you to know on the tests. With that said, you are free to choose the rate of attendance that suits you best. I am not in charge of your affairs.

Courtesy

- **Turn off or silence all electronic equipment before entering the classroom.** If you are expecting an important phone call or text message that you absolutely must take, please do me and (more importantly) your classmates a favor and do not come to class that day.
- Please arrive to class on time and minimize all noise (especially talking). Please go outside if you must talk with someone. Thanks.

Grades: There will be three in-term tests (February 6, March 6, and April 17), essay assignments (due February 23 and April 6), and a cumulative final exam. Your class average will be calculated using two methods:

Method 1

| | |
|------------------------------|-----|
| Test 1 | 20% |
| Test 2 | 20% |
| Test 3 | 20% |
| Essays (2 @ 5% each) | 10% |
| Cumulative Final Exam | 30% |

Method 2

| | |
|------------------------------|-----|
| Highest test grade | 20% |
| Second highest test grade | 20% |
| Lowest test grade | 0% |
| Essays (2 @ 5% each) | 10% |
| Cumulative Final Exam | 50% |

I will take the higher average (Method 1 or 2) when determining your final course average. Averages will be rounded to the nearest whole number (e.g., 89.5 = 90). The grading scale for the course is:

| | |
|---------------|-----|
| 93 or greater | A |
| 90 - 92 | A – |
| 87 - 89 | B+ |
| 83 - 86 | B |
| 80 - 82 | B – |
| 77 - 79 | C+ |
| 73 - 76 | C |
| 70 - 72 | C – |
| 60 - 69 | D |
| 59 or below | F |

You are required to write two short essays (400-700 words each) based on microeconomic concepts found in the popular media (the Wall Street Journal, Newsweek, etc.). The due dates for the essay assignments are February 23 and April 6. You must submit these assignments as a Word (.doc) document via WebCT. More details about these assignments (and the procedure for turning them in) will be discussed in class and posted on WebCT in late January.

Homework problems and sample exam questions will be posted throughout the semester. It is your responsibility to work through these problems. They will not be collected. Answer keys to homework will be posted, but I highly recommend working through the problems before consulting the answers.

Other Grading Policies:

- **No make-up tests after regularly scheduled tests will be given.** In some cases, I will allow you to take a test early if you have a documented legitimate reason. If you miss any of the scheduled in-term tests, a zero will be recorded for that test. Obviously, most people in that circumstance will have their grade calculated under Method 2 above (i.e., the final exam takes the extra weight). Unfortunately, make-up tests are not practical in this course and are rarely equivalent to the actual tests. (If given, they would be much more difficult.)
- Make-ups for the final exam are only given under the following circumstances: 1) you complete the process outlined by the Office of Curriculum Systems, verifying that you have another final exam scheduled for the same time or three final exams scheduled for the same day, or 2) the Office of the Vice President for Student Affairs verifies that you have an emergency that impedes your ability to take the final exam.
- No extra credit will be offered and no special considerations will be given to students when final grades are assigned. I realize that everyone has a lot at stake with grades (e.g., scholarships, getting into the Business School, etc). I will be completely unbiased when assigning grades and all grading procedures will be held constant across all students.
- Individual test and exam scores will **not** be curved.
- If you “need” a certain letter grade for this class, please plan to meet the numerical cutoffs listed in the grading scale above. At the **end** of the semester (when all grades on all assignments are available), I reserve the right to lower the bars required to make various letter grades (to students’ advantage). However, I will not raise them. I will adjust the grading scale only if I see the need based on the distribution of final course averages. This will be done solely at my discretion. Student requests/concerns about grades will not be taken into account during this process.
- For questions or concerns about the plus minus grading system, please consult the following webpage: <http://www.bulletin.uga.edu/PlusMinusGradingFAQ.html>
- For questions or concerns about the HOPE Scholarship, please consult the following webpage: <http://www.uga.edu/osfa/hope.html>
- The above policies are in place not because I want to be mean, but rather because I want to be completely unbiased. I would absolutely love to give everyone who shows up to class an A. However, part of my job description at the UGA Terry College of Business is to assign grades based on student performance (exams, etc). Again, please plan to get the grade that you earn in this class. I simply will not take individual considerations into account when assigning grades.

Academic Integrity: All academic work must meet the standards contained in “A Culture of Honesty.” Each student is responsible to inform themselves about those standards before performing any academic work. This is something I take very seriously. If I catch anyone cheating in this class, I will do everything in my power as a UGA faculty member to punish that student to the fullest extent allowed by the university.

Students with Disabilities: Please see me as soon as possible to discuss appropriate accommodations. Please have appropriate documentation from the Disability Resource Center (UGA Division of Student Affairs).

General Disclaimer: Life offers no warranties, express or implied, and neither do I. Although I try to make the learning process both fun and fair, remember that both are in the eye of the beholder. The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

Tentative Course Outline

Economic Methodology and Introduction

- Scarcity and Costs: Chs. 1 & 2
- Economic Models: Chs. 1 & 2
- The Production Possibilities Frontier and Comparative Advantage: Ch. 3

Microeconomic Overview

- Supply and Demand Basics: Ch. 4
- Elasticities: Ch. 5
- Measuring Market Efficiency: Ch. 7

Supply and Demand Extensions and Applications

- Government Policy and Taxes: Chs. 6 & 8
- International Trade: Ch. 9
- Externalities: Ch. 10
- Public Goods and Common Resources: Ch. 11

The Organization of Industry

- Cost Curves and Perfect Competition: Chs. 13 & 14
- ‘Not So Perfect’ Competition, Regulation, and Antitrust: Chs. 15, 16, 17, & handouts
- Asymmetric Information: Ch. 22
- Vertical Integration and opportunistic behavior: class handouts

Selected Topics and Current Events

- TBA throughout the semester

Important Dates

Test 1: Tuesday, February 6

Test 2: Tuesday, March 6

Test 3: Tuesday, April 17

Final Exam: 9:30 class: Thursday, May 3 at 8:00am
12:30 class: Thursday, May 3 at 12noon

Essays Due: Friday, February 23 and Friday, April 6