Office: Room 3092, Raley Hall
☏: 262-2251
E-mail: perritj@appstate.edu   Web: www.appstate.edu/~perritj

OFFICE HOURS:

I am generally available from 8:30 to 4:00 P.M. on Monday, & 8:30 to noon on Tuesday. These are the times when I can usually be found in my office. Students who wish to be sure of finding me in my office can call before coming to see me or can make an appointment. If you wish to contact me and I am not in my office, use e-mail. I will respond to e-mail messages; I will not respond by telephone when messages are left for me.

(2) Experiments with Economic Principles: Microeconomics (Theodore Bergstrom and John Miller, 2nd edition, paperback)
(3) The Choice (Russel Roberts, paperback)

The deadline for dropping this course is Monday, 03/23/09.

EXAMS: All students will take the exams at the assigned times.

NOTE: NO points will be given for "extra credit" work (term papers, etc.). Grade determination will be exactly as stated below with NO exceptions.

There are three multiple choice exams, each with 30 questions (one point for each question). Each exam covers one section of the material. There is no final exam. There are six experiments worth 10 points each. To determine your total points: double your two highest exam scores & add this amount to your other exam score & your 5 highest experiment scores (for 200 possible total points).

There are SIX in-class experiments. There are ten possible points for each experiment. In order to obtain any points for an experiment, you must be in class when the experiment is conducted. Points for each experiment will be awarded as follows:
• 0-5 points for satisfactory participation in the experiment;
• 0-5 points for the assignment based on the experiment.
A student must attend (that is, be there for the entire time) the next class after the experiment is conducted, & turn in the assignment then to receive credit for the assignment.
<table>
<thead>
<tr>
<th>Course Grade</th>
<th>Total points</th>
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<tbody>
<tr>
<td>A</td>
<td>164-200</td>
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<tr>
<td>A-</td>
<td>161-163</td>
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<tr>
<td>B+</td>
<td>158-160</td>
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<tr>
<td>B</td>
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<td>B-</td>
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<td>D-</td>
<td>107-109</td>
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<td>F</td>
<td>000-106</td>
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Exams missed with an excused absence: A comprehensive make-up exam will be given to anyone who misses one of the first three exams. It will be given in the time for the final exam for this class. There is no other time to take this exam. It is extremely unlikely more than one exam will be missed with an excused absence. If this should occur, I will then decide how to determine the individual’s grade. **NOTE:** There are very few reasons I will accept for excused absences. Severe illness or absence for university business are about the only acceptable reasons for an excused absence. A student who misses an exam & who believes he or she may have an excused absence must contact me as soon as possible.

Exams missed without an excused absence: If a student misses an exam without an excused absence, but does not miss another of the first three exams, he/she may take the comprehensive exam described above. **An example:** J. Doe has missed an exam because s/he overslept. Doe then misses an exam because of a broken leg. For the second missed exam, Doe gets to take the comprehensive exam described above. For the first missed exam, Doe gets a zero.

**Exam times:** all exam times will be announced at least one week in advance. Exam 3 is at the regular class time on **Tuesday, 04/28/09.**

**Make-up exam:** 12:30 Tues./Thurs. class: **Monday, 05/04/09 @ Noon.**

3:30 Tues./Thurs. class: **Wednesday, 05/06/09 @ Noon.**
Course Outline

Note: M stands for Mankiw (the hardbound book), B&M stands for Bergstrom and Miller, R stands for Roberts, & H stands for a several page handout you will receive that covers three topics. For example, M2 means read Mankiw chapter 2.

© INTRODUCTION; DEMAND & SUPPLY

Topic 1  Introduction to diagrams (M2 Appendix, pp.38-46)

Topic 2  Basic concepts (M1 & M2)

Topic 3  Demand & Supply (B&M pp.7-23; M4; B&M pp.42-47 & Appendix A.1 & A.2 [pp.401-408]; M7)

Experiment 1: read B&M pp.3-6 before the experiment.

*EXAM ONE*

© APPLICATIONS OF SUPPLY & DEMAND

Topic 4  Competition & firm behavior (B&M pp.230-237 and H1)

Experiment 8: read B&M pp.225-237 before the experiment.

Topic 5  Elasticity (M pp.89-92 [stop at “The Midpoint Method...”]; B&M Appendix A3 pp.408-413)

Topic 6  Sales tax (B&M pp.62-78)

Experiment 3: read B&M pp.59-61 before the experiment.

Topic 7  Prohibition (B&M pp.95-107 & H2)

Experiment 4: read B&M pp.91-94 before the experiment.

*EXAM TWO*

© DETERMINING PAY & EMPLOYMENT; SPECIALIZATION & EXCHANGE

Topic 8  Determining pay & employment (B&M pp.123-136; M18 &19; H3)
Experiment 5: read B&M pp.119-122 before the experiment.

Topic 9 Specialization & exchange (B&M pp.299-314; R [the entire book])

Experiment 11: read B&M pp.295-298 before the experiment.

*EXAM THREE*

REQUIREMENTS & EXPECTATIONS FOR STUDENT BEHAVIOR

Rigor and study. You should read assigned material before it is covered in class. Read the material as many times as is required for you to understand it. Do not come to class unprepared & then wonder why you do not understand the material covered in class. You must do the work. My role is to help you understand the material. It is highly unlikely those who do not study will receive a decent grade. If you do not understand material or an assignment for an experiment, ask me. For assignments for experiments, I can not give you the answer, but I will try to guide you so you should be able to do the experiment.

Classroom behavior. You should come to class to take notes, ask & answer questions, & participate in the experiments. Inappropriate classroom behavior includes sleeping & doing things other than taking notes (e.g. reading your mail, checking your text messages, or doing an assignment for another class). If you do not appear to be taking notes, you will be a good candidate for me to choose to answer questions. Do not habitually come to class late. Since people who leave class break the concentration of the rest of us, anyone who leaves class without my permission is subject to a 50 point PENALTY (out of 200 possible points). The same penalty may apply to anyone checking text messages. If you have an appointment which requires you leave class early, tell me before class.

Students with learning disabilities. If you have a verifiable learning disability & request special treatment for exams, you must speak to me in advance of exams & I will then tell you what can be done to accommodate you.

Upon completion of this course a student should:
1) identify the differences between price theory (microeconomics) & macroeconomics;
2) identify the determinants of supply & demand & use these tools to illustrate changes in price and output;
3) understand price elasticity of demand and supply & the relation between price elasticity of demand & total revenue;
4) understand the behavior of a firm in regard to output, price, cost, & profit;
5) demonstrate welfare effects of different market structures;
6) describe how comparative advantage & specialization lead to gains from trade.