

Economics 2030
Principles of Economics: Price Theory
Spring 2012
Dr. Perri

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Class webpage: <http://www.appstate.edu/~perritj/classes.htm>

OFFICE HOURS. I am generally available from 9:30 A.M. to 4 P.M. on Monday & Wednesday. 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.

BOOK. Your text is **Principles of Microeconomics** (James D. Miller, 1st edition).

DROP DATE. The deadline for dropping this course is Monday, 03/26/12.

EXAMS. There are four multiple choice exams, each with 25 questions (one point for each question). Each exam covers one section of the material. There is no final exam. A comprehensive make-up exam with 25 questions will be given to anyone who misses one of the first four exams. It will be given in the **time for the final exam** for this class.

- If you miss one exam (for any reason), you may take the makeup to substitute for the missed exam.
- If you miss more than one exam, then each exam missed must be for an excused absence, in which case I will then decide how to determine your grade. If you miss two exams, & only one is for an excused absence, you take the makeup to replace one exam, & get a zero for the other exam. It is extremely unlikely more than one exam will be missed with an excused absence.
- 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.
- For all exams, bring pencils, erasers, a calculator (not your cell phone), & your Banner ID.

TOTAL POINTS. S_1 = score on your best exam, S_2 = score on your 2nd best exam, S_3 = score on your 3rd best exam, & S_4 = score on your worst exam. Then your grade will be based on total points determined as follows:

$$\text{total points} = 3S_1 + 2S_2 + 2S_3 + S_4.$$

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

<u>Course Grade</u>	<u>Total points</u>
A	160-200
A-	157-159
B+	154-156
B	141-153
B-	138-140
C+	135-137
C	122-134
C-	119-121
D+	116-118
D	103-115
D-	100-102
F	000-099

Exam times: all exam times will be announced at least one week in advance. Exam 4 is at the regular class time on **Thursday, 05/03/12**.

Make-up exam: 2:00 Tues./Thurs. class: Thursday, 05/10/12 @ 9 A.M.

3:30 Tues./Thurs. class: Friday, 05/11/12 @ 9 A.M.

Course Outline

① INTRODUCTION; DEMAND & SUPPLY; ELASTICITY

Read: chapters 1-4.

EXAM ONE

② POLICY; WEALTH; TRADE; COST

Read: chapters 5-8.

EXAM TWO

③ COMPETITION; MARKET & GOVERNMENT IMPERFECTIONS

Read: chapters 9-12.

EXAM THREE

④ EXTERNALITIES; PROPERTY RIGHTS; INCOMPLETE INFORMATION; INEQUALITY; USING ECONOMICS

Read: chapters 13-17.

EXAM FOUR

PROBLEM SETS. There are four problem sets (one for each section of the course) with answers to help you prepare for exams. These are available at: <http://www.appstate.edu/~perritj/classes.htm>.

RIGOR & STUDYING. 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, ask me.

CLASSROOM BEHAVIOR You should come to class to take notes, & to ask & answer questions. Inappropriate classroom behavior includes sleeping or 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 looking at a cell phone**. If you have an appointment which requires you to 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 the 1st exam**, & I will then tell you what can be done to accommodate you.

Among many other things, 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 & supply, & understand 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.

This course fulfills General Education Historical and Social Perspective. See this website for details:
<http://econ.appstate.edu/2030>.