

PORTLAND STATE UNIVERSITY

1825 SW Broadway, Portland OR 97207

ECONOMICS 201

Microeconomics

Fall Quarter, 2009

INSTRUCTOR: Joel C. Magnuson, Ph.D.			
Classroom	CH 271	Office	Cramer Hall, Room 287
Class time	6:30pm -8:20pm; M,W	Office Hours	6:00 – 6:20pm, MW
CRN Number	10949	Office Phone	503 - 614 – 7089
Credits	4	e-mail website	jmagnuso@pcc.edu www.pcc.edu/staff/jmagnuso

TEXTS:

(1) Stephen Slavin, *Economics*, McGraw-Hill Primus custom edition, 2009, 8th ed.

ISBN: 978-0-39-096994-1

(2) Joel Magnuson, *Mindful Economics: How the US Economy Works, Why it Matters, and How it Could Be Different*, NY: Seven Stories Press, 2008, 1st ed., ISBN: 978-1-58322-847-0

COURSE OBJECTIVES:

This course is an introduction to the principles of microeconomics. The primary objective is to develop students' understanding of markets and market systems, price determination, the operations of business firms and other institutions, resource allocation and efficiency, market structures, and consumer behavior. Students will develop skills for analyzing economic problems and issues and will build a vocabulary of economic terms so that he or she may read newspaper or magazine articles about economics with confidence. This course also aims to provide students with the conceptual and theoretical background for further study in economics. Students will also be studying alternative and critical approaches to economics.

GRADING, STUDENT EVALUATION, STUDENT RESPONSIBILITIES:

Students will be evaluated on the basis of the following criteria: regular quizzes, one midterm exam worth 75 points, a comprehensive final examination worth 100 points, and discretionary credit worth 50 points (see Discretionary Credit below). The penalty for doing make-up tests is a maximum of 50% credit on points earned. The students' final letter grade will be given in accordance with the general college guidelines and will be calculated as a percentage of the total possible points:

90% - 100%	A
80% - 89%	B
65% - 79%	C
less than 64%	D or F

Students may elect to be evaluated on either a graded (A,B,C,D,F) or Pass/No-pass basis. If student elects to take the course on the basis of Pass/No-pass, then in order to receive credit the student must "pass" with a "C" or better. Students are welcome to ask instructor for more information regarding grading and evaluation policies.

DISCRETIONARY CREDIT AND POLICY

Part of the total points available for determining your final grade includes 50 discretionary points. The

COURSE OUTLINE / CALENDAR

WEEK	TOPIC	READING ASSIGNMENTS
Sept. 27 – Oct. 3	<u>Introduction to Microeconomics:</u> *Economic Systems: Capitalism, Socialism, Pluralism *Basic Economic Processes *Institutions	<i>Mindful Economics</i> : Chapter 1
Oct. 4 - 10	<u>The Basic Market Model, Part One</u> *Supply and Demand *Equilibrium Price and Quantity *Price Ceilings and Floors *The Rationing Function of the Price System *Applications of Supply and Demand *The Cash Nexus: Households and Corporations *The History of the Corporation	Slavin: Chapter 4 <i>Mindful Economics</i> : Chapter 2
Oct. 11 - 17	<u>The Basic Market Model, Part Two</u> *Six Steps in Market Dynamics (not in textbook) *Changes in Demand or Supply vs. Changes in Quantity Demanded or Quantity Supplied *Changes in Demand and Markets Dynamics *Changes in Supply and Market Dynamics	Slavin: Chapter 17
Oct. 18 – 24	<u>Elasticities of Supply and Demand</u> *Elasticity Formulas *Determinants of Elasticities of Demand *Determinants of Elasticities of Supply	Slavin: Chapter 18
Oct. 25 – 31	<u>Neoclassical Supply and Demand Theory</u> *Marginal Utility Theory and Demand *Marginal Cost Theory and Supply *Marginal Analysis Problems *Review for midterm	In class projects
Nov. 1 – 7	Midterm Exam (75 points)	
Nov. 8 – 14	<u>Market Structures and Industry Concentration, Part One</u> *Market Structures: Perfect Competition, Monopolistic Competition, Oligopoly, Monopoly *Concentrated vs. Competitive Markets *Concentration Ratios *Cartels, Collusion, Competition, *The “Drift Toward Concentration” *The Myth of Laissez Faire *Monopolies, Trusts, and Business Associations	Slavin: Chapter 24, See also Appendix on the Four Types of Competition <i>Mindful Economics</i> : Chapter 3, pages 77 – 93
Nov. 15 – 21	<u>Market Structures and Industry Concentration, Part Two</u> *Corporate Mergers *Antitrust laws	Slavin: Chapter 25 <i>Mindful Economics</i> : Chapter 10, pages 283 - 287

<i>COURSE OUTLINE / CALENDAR</i>		
	*Two Landmark Cases: AT&T and Microsoft *Types of Mergers *Corporate Misconduct *Monopolies and Monopsonies *Wal-Mart	
Nov. 22 – 28 Holidays: Nov. 26 and 27	<u>Labor Markets and Labor Unions</u> *Labor Markets *Labor Unions *History of the Labor Movement *Collective Bargaining, Strikes, Boycotts, Lockouts *Labor Legislation <u>Thanksgiving</u>	Slavin: Chapter 27 and 28 <i>Mindful Economics</i> : Chapter 3, pages 93 - 110
Nov. 29 – Dec. 5	<u>Wall Street and Financial Markets</u> *Corporate Capitalization and *Stocks *Stock Classifications and Indexes *Bonds *Speculation and Patterns of Instability *Historical Examples of Financial Instability <u>Income Distribution and Inequality</u> *Causes of Unequal Income Distribution? *Measuring Inequality *Comparing Inequality *Poverty	<i>Mindful Economics</i> : Chapter 5, pages 133 – 140; Chapters 6, 10 and 11 Slavin: Chapter 30
Monday Dec 7	<u>Comprehensive Final Exam (100 points); 7:30pm-9:20pm</u>	

CLASSROOM ETIQUETTE:

As college students you are expected to conduct yourselves as adults and in manner appropriate and conducive to learning. Please demonstrate respect for your fellow students and observe the following:

- *Refrain from cross talk during lectures.
- *Do not bring food into the classroom.
- *Do not bring laptops into the classroom, turn off cell phones, and no texting allowed during class time.
- *Refrain from entering and leaving the classroom during lectures as ample break time will be provided.
- *Be respectful of the ethnic, cultural, religious diversity of your fellow students and practice tolerance of differing points of view.

By observing appropriate classroom etiquette, we can create a friendly and positive learning environment.

PLAGIARISM:

According to the student handbook, academic cheating or plagiarism, or aiding or abetting cheating or plagiarism, may be punished at the discretion of a faculty member with a grade of F.” Any student who plagiarizes on work done in this class will automatically receive an F grade. It must be emphasized that

plagiarism is any attempt to use another's words, ideas, data, or product without appropriate acknowledgment such as copying another's work, presenting someone else's opinions and theories as one's own, or working jointly on a project and submitting it as one's own. This would include taking from, or paraphrasing from, text materials, other students, websites or any other source. Excessive citations or quotations will be treated the same as plagiarism. Note that where relevant headings from lists given in class, outlines, or bullets are acceptable for general organization and will not be considered plagiarism, but the content that you write under those headings must be entirely yours. There is really only one way to avoid plagiarism and that is to know the material and write entirely in your own words.