

Introductory Microeconomics

EC 201-003

Summer 2009

James Woods

1 Introduction

Welcome to Microeconomics! Microeconomics is the study of individual choice in the face of scarcity. In this course we will examine the consequences of individuals and firms making choice about consumption and production. We will also explore competitive behaviors and public choice.

2 Prerequisites

There are no prerequisites for this course. However, all students are assumed to have a working knowledge of high school algebra. I am much less concerned with computation than I am with visualization, i.e., picturing the relationship between variables.

3 Resources

My office is in CH 241-T. The best ways of contacting me, in decreasing order of effectiveness:

- Email: woodsj@pdx.edu. This gets checked several times a day.
- Instant Messenger: ICQ: 162751613, AIM: conman1138, MSN: dr_econ. If I am on, I will reply.
- Phone: (503) 465-4883.

Office hours will be held through the last week of class Monday 2:30-3:30 and Wednesday 8:00-9:00. If you can't attend at these times, please check my calendar at (<http://web.pdx.edu/~woods/j/calendar.htm>) and email for an appointment. Default meeting time is 15 minutes.

If class is canceled I will post an announcement on Aplia and on twitter account PSUWoods.

3.1 Attendance

Attendance is not mandatory- the choice to attend or not attend is always yours. If you do choose to attend class, please prepare by completing the required readings and reviewing your notes from the previous lecture. My teaching style is very Socratic and requires a lot of interaction with students to be effective. Not attending class or coming unprepared reduces the quality of the class for all students.

If you choose not to attend a class you are still responsible for acquiring notes, handouts, and any announced schedule changes from other students.

Don't let your children be a barrier to attending class. Bringing your children to class occasionally is tolerated and encouraged.

3.2 Books and Other Sources

I have assigned an on-line version of Krugman and Wells "Microeconomics" through Aplia (econ.aplia.com). The "dead tree" version of the book is optional.

Aplia is a "pay site" on the Internet. The charge for the semester is \$80 for both the web site and the electronic copy of Krugman and Wells. You may pay by credit or debit cards over their secure payment lines at the web site or, if you prefer, you may pay by check or money order and send it in through the mail. Even if you pay by mail, you will be given immediate access to the course. You will have a few weeks to pay, i.e., till 07/11/2009.

To get registered:

1. Connect to <http://www.aplia.com>.
2. Click the System Configuration Test link below the Sign In and Register sections to make sure you can access all of the features on Aplia's website. This takes just a few seconds and tells you how to update your browser settings if necessary.
3. Return to <http://www.aplia.com>.
 - (a) If you have never used Aplia before, click the New Student button and enter your Course Key: D7FP-HU7K-YQ43. Continue following the instructions to complete your registration.
 - (b) If you have used Aplia before, sign in with your usual e-mail address and password and enter your Course Key when prompted: D7FP-HU7K-YQ43. If you are not prompted for a new Course Key, click the Enter Course Key button to enroll in a new Aplia course. Enter your Course Key when you are prompted.
4. If you understand your payment options, pay now. Otherwise, postpone your purchase decision by choosing the option to pay later. Your payment grace period ends at the end of the day on 7/11/2009.

You will only need to register once. After the registration process is complete, you will not need to enter the course key again. For technical problems or problems signing in, please send Aplia an e-mail by clicking on the "Help" link in the upper-right corner of any page or by e-mailing support@aplia.com.

Disclaimer: I am not financially affiliated with Aplia and receive no monetary benefit from requiring this material.

The website will reflect all changes in the class schedule (a right I reserve). Keys will be distributed via the website. It is essential that you access Aplia as soon as possible – your first homework is due Thursday.

Students with accommodations approved through the Disability Resource Center are responsible for contacting the faculty member prior to, or during, the first week of term to discuss accommodations. Students who believe they are eligible for accommodations but who have not yet obtained approval should contact the DRC immediately.

4 Exams and Assignments

Your grade in the class will be based on your performance on the final exam, a midterm, and homework. The contribution of each of these to your final grade is shown below:

Final Exam	34%
Midterm	33%
Homework	33%

For easier grading mechanics, I make each homework assignment worth one unit, regardless of the number of points that are possible on the assignment. There will be cases when you are unable to submit an assignment on time due to some technical glitch. To handle these situations, you have 3 "free passes" or dropped homework grades. Do not skip an assignment with the expectation of making great grades on later assignments – things get tougher as we go along.

Grades will be based on your class rank. At the end of the term I will create a weighted average score and rank the students. The dividing lines between letter grades will be drawn such that no student is near a dividing line. In this way no student will ever be, "just one point from an A." You are in a very real competition for grades in this class. If someone cheats it harms your chances of getting an A. The fact that I usually end up with about 12% A's, 24% B's, and so on, is one of the mysteries of the universe.

4.0.1 Other Rules

- Academic honesty is expected and required of students enrolled in this course. Suspected academic dishonesty in this course will be handled according to the procedures set out in the Student Code of Conduct.
- I actively discourage early and late midterms!
- No early or late final exams.

- Begging for grades will result in an immediate lowering of your course grade by a full letter grade.
- Portland State University supports equal opportunity for all, regardless of age, color, disability, marital status, national origin, race, religion or creed, sex or gender, sexual or gender identity, sexual orientation, veteran status, or any other basis in law.

4.1 Expected Outline

A detailed and updated version will be available on the website. That schedule may be changed without notice. Please expect a midterm during the fourth week of class.

- How to study economics: Notes from a successful student.
- Mixing commands, tradition and doing things because you think it is a good idea, i.e., the real world.
- Why we trade? It's easier than doing everything yourself.
- Ideal markets: What they do, how rare they really are, and why it shouldn't bother you.
- Messing with ideal markets is bad and messing with non-ideal markets could be good.
- Measuring happiness with money!?
- Midterm
- Where did that supply and demand stuff come from? Costs.
- Reasons to hate monopolies.
- Reasons to hate things that are kind of like monopolies.
- Three economic 'Games' you see every day and what they have to do with pricing decisions.
- What happens when someone else pays the bill.
- What happens when we have to share.

Final Exam: August 13, 8:00-10:20