

## PRINCIPLES OF MICROECONOMICS – ECON 102

Palomar College

Jonathan Smith

**Lecture:** M/W

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### **Catalog Description:**

This course: analyzes decision-making of individuals and groups as it relates to economic behavior; examines market structures and resource markets under varying degrees of competition; investigates causes of market failures such as public goods and externalities; and includes international trade and finance.

### **Jon's Description:**

The primary aim of this class is to introduce the economist's way of thought. While we explore the fundamental economic problem of scarcity and unlimited wants, our perspective is focused on how individual consumers and firms make decisions. We will also investigate the government's role in specific markets and how that relates to total social welfare.

### **Successful Students:**

Will be able to: (1) assess the impact of current events using market analysis, (2) explain how and why individual markets have evolved (3) identify the role of competition and the role of the government when competition is lacking, and (4) offer suggestions to correct for various market failures.

### **Required Text:**

Microeconomics. Tucker, 7<sup>th</sup> Edition (Cengage Publishers). The book is available as an ebook. I will also occasionally provide addenda to the lectures from other sources.

### **(Strongly) Recommended Reading:**

It is recommended that you read, on a regular basis, publications such as The Economist, The Wall Street Journal, and Financial Times as a way to keep up with events of economic significance. As you find articles of interest, you are encouraged to share them with me and/or the class. You may also use these articles as sources for your project.

### **GRADE CALCULATION:**

The following is a breakdown of the contributions to your final grade:

a. <b>15 Chapter Quizzes</b> (10 pts each)	150
b. <b>3 Exams</b>	
2 Midterms (100 pts each)	200
Comprehensive Final	150
c. <b>3 Problem Sets</b> (50 points each)	150
d. <b>Participation</b>	100
<b>TOTAL POSSIBLE POINTS</b>	<b>750</b>

### **Grade Distribution:**

I will allocate grades according to the following table. Depending on the final scores, I may curve the grade distribution in your favor. Periodically, there will be opportunities for extra credit assignments.

If you earn at least <u>this many points</u> :	Then your minimum <u>grade will be</u> :
675	A
600	B
525	C
450	D
0	F

### **Quizzes:**

Quizzes are online at the blackboard site for this class. Quizzes typically contain 20 true/false, multiple choice, and/or fill in the blank questions. You are allowed one attempt to complete the quiz, but you will have the entire period of time that the quiz is available to work on your answers. That is, you can submit your quiz once. After that, the score is recorded. But you can save your answers as many times as you like. You can use your notes, textbook, and a calculator. **Note: I will drop your two worst quiz scores and give you double credit for your two best scores. Therefore, if the deadline for a quiz has passed you will not be allowed to retake it.**

### **Exams:**

There will be two midterm exams and one final exam. The exams will consist of multiple choice and short answer questions. Each exam will be comprehensive, but with an emphasis on the material covered since the previous exam. If you must miss an exam, you must contact me ahead of time to schedule a make-up. Please know that this make-up exam will be substantially more difficult than the in-class version. You are allowed to make-up one midterm. There are no make-ups for the final exam.

### **Problem Sets:**

There will be three problem sets. Each problem set is worth **50 points**. **Points will ONLY be awarded if all the problems have been attempted AND all work is shown.** You will not receive many points if you submit an incomplete problem set, i.e. where only some of the problems have been attempted and/or all of your work is not shown. Note that the problem sets grade does not depend on whether you get the answers correct, but rather on whether you have made a good faith effort to complete the assignment. While correct answers are important, the goal of these homework assignments is to give you practice at solving the types of problems that you will see on quizzes and exams.

**NOTE: I will post an answer sheet immediately after the problem sets are due, so I will not accept any late papers for any reason.** This is all the more reason to finish your work ahead of time. If your computer breaks, the dog eats your laptop, there is a power outage, or whatever, I will be sympathetic, but still will not accept late papers. Thus, it is smart if you do the assignment early so that you can get it to me.

### **Participation:**

**I will drop any student who fails to attend two out of the first three classes.**

Attendance is a minimal requirement to receive full credit for class participation. In addition, students are expected to participate actively in the learning process. Quality participation in class may be achieved by asking intelligent questions, and by offering well-reasoned input. However, do not let the prior statement discourage you from participating. It is okay to be wrong; in fact, we often learn more from our wrong answers than from our right ones. Questions are only stupid when the person asking has no serious interest in learning

the answer. I deduct points increasingly for each absence after your second, regardless of excuse. Please arrive on time, do not leave, if must be late be as unobtrusive as possible.

**OTHER PERTINENT INFORMATION:**

The library may have a copy of the text on reserve. Its hours are as follows:

Mon.-Thu. 8 am - 9:00 pm Fri. 8 am - 4:00 pm Sat. 9:00 am - 1:00 pm Sun. CLOSED

**JON'S ADVICE FOR SUCCESS:**

1. Read the book, YES BEFORE and AFTER class.
2. Work through each chapter's practice quiz
3. Print out each chapter quiz with your answers BEFORE you submit it.
4. Come see me during office hours if you are having a hard time understanding anything, you would like a clarification, or are just interested in talking about economics!
5. Take notes, and then rewrite your notes.
6. Check out my answer key to the problem sets. Compare it to how you tried to solve the questions.
7. Read, on a regular basis, publications such as The Economist, The Wall Street Journal, and The New York Times as a way to keep up with events of economic significance.

**Contacting me via e-mail (jsmith@palomar.edu) :**

Be aware that I receive A LOT of junk email with subject lines such as "Can you help me", "I'm confused" and "Is this right?". I delete those emails automatically without looking at them. Thus, when you send me an email, please write in the subject line: "**ECON102: Your Full Name**". Thanks!

\*\*\*On occasion you may have to miss a class, or may want to discuss the HW or your project with your classmates. I strongly advise you to take a moment and meet four classmates now.

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

e-mail: \_\_\_\_\_

e-mail: \_\_\_\_\_

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**Course Outline: (Note that these dates are not set in stone, but it is highly advisable that you read the chapters to be covered before the class that they are covered.)**

<b>Date</b>	<b>Chapters</b>	<b>Topics</b>
Jan 18	1	Introducing the Economic Way of Thinking
Jan 23	2	Production Possibilities, Opportunity Cost, and Economic Growth
Jan 25	2	Production Possibilities, Opportunity Cost, and Economic Growth
Jan 30	3	Demand and Supply
Feb 1	3	Demand, Supply, Equilibrium
Feb 6	4	Markets in Action
Feb 8	5	Elasticity
Feb 13	5	Elasticity
Feb 15	6	The Rational Consumer
Feb 20		<b>NO CLASS -- Holiday</b>
Feb 22*	6	The Rational Consumer
Feb 27	<b>EXAM 1</b>	
Feb 29	7	Costs of Production
Mar 5	7	Costs of Production
Mar 7	8	Perfect Competition and Supply Curve
Mar 12	8	Perfect Competition and Supply Curve
Mar 14	9	Monopoly
Mar 19		<b>NO Class – Spring Break</b>
Mar 21		<b>NO Class – Spring Break</b>
Mar 26	9	Monopoly
Mar 28	10	Oligopoly, Monopolistic Competition, and Product Differentiation
April 2	10	Oligopoly, Monopolistic Competition, and Product Differentiation
April 4		<b>No Class – Political Economy Days</b>
April 9	<b>EXAM2</b>	
April 11	11	Labor Markets
April 16	11	Labor Markets
April 18	12	Income Distribution, Poverty, and Discrimination
April 23	12	Income Distribution, Poverty, and Discrimination
April 25	13	Antitrust and Regulation
April 30	14	Environmental Economics
May 2	14	Environmental Economics
May 7	15	International Trade
May 9	15	International Trade
May 16	<b>Final Exam</b>	<b>12pm for 12:30 class, 2pm for 2pm class</b>