

**Econ 1123-995 –Syllabus – Spring 2014**

Instructor: Firat Demir

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**1. Course Objective**

Economics is the study of the way people organize their efforts to sustain life and enhance its quality. Individuals engage in four essential economic activities: resource maintenance, production of goods and services, distribution of goods and services, and consumption of goods and services. Economists study how individuals engage in these activities and how their social coordination is achieved.

Microeconomics, unlike macroeconomics (that focuses on the economy as a whole), focuses on the activities of households and firms. The topics we will analyze include the pricing of goods and services, consumer decision-making, the theory of the firm, market structure, market failure, factor markets, economic inequality and international trade. Studying microeconomics can give us perspective on our own economic decisions, as well as inform us as citizens on important political economic issues. The main objectives of the course are:

- To provide students with the theoretical knowledge behind microeconomic policy-making including a variety of methods and models used for this purpose.
- To introduce existing debates and controversies in microeconomics to the students by examining different schools of thoughts.
- To enable students to develop necessary skills to apply the methods and models to policy making as well as current economic debates.
- To explore how to make rational decisions using information about the costs and benefits of alternative actions and to teach students the economic way of thinking.

To be successful in this course, students must be proficient in college algebra, geometric, basic data analysis, and the use and interpretation of graphical and tabular information.

**2. Course Structure**

The course is designed around posted lectures, assigned readings, and class-list discussions. The students are expected to do ALL assigned readings, and to participate in online discussions. Students will be responsible on examinations for ALL ASSIGNED MATERIALS.

**3. Course Requirements**

The final grade will be based on your performance from: a) two midterms (20% each) and a final exam (20%) (not cumulative); b) Problem sets (20%); and c) Discussion assignments (20%).

**3.1. Discussion assignments**

There will be a discussion assignment for each section of material. I will post an article for you to read or video for you to watch. I will post a question to the class. Each person must make two posts: an original response to the question and a response to someone else's post. You will be graded on the thoroughness of your answer, specifically how well you connect what you learned in a given section and the discussion question. Each discussion assignment is equally weighted in the final grade calculation. Each discussion

assignment must be completed by its due date (you will not be able to see others' posts before you post your own response first).

### 3.2. Problem sets

I will post weekly online home works through Sapling ([www.saplinglearning.com](http://www.saplinglearning.com)) and you will have one week to complete these assignments. All problem sets are equally weighted and need to be completed by their due dates, after which the site will be closed for further editing. The purpose of these videos is to give you a preview of what I will cover in each lecture.

### 3.3. Exam Structure

The exams are non-comprehensive. However, all parts of the course are closely related and therefore you need to have a good understanding of the previous material in order to understand the later parts. The purpose of exams is twofold: to enhance your understanding of fundamental theories and concepts, and to encourage you to apply the theories to the real world. Therefore you may expect applied as well as theoretical questions.

### 3.4. Policy on Make-up Exam

There are no make-up midterms. If you miss an exam because of *a valid reason* the weight of all other exams will be increased accordingly. Otherwise you will obtain a score equal to zero. University of Oklahoma sanctioned excused absences include: emergency military service, emergency personal medical event, death or emergency medical event of member of immediate family, or participation in OU sponsored athletic/academic competition. Students with unavoidable conflicts or unexpected emergencies during an exam should contact me to schedule a make-up.

## 4. Attendance Policy

Students must sit for the midterm and final examinations at the times and dates specified in the schedule below. Students will only be allowed to make-up missed exams and/or quizzes, if they have a valid academic, medical, or family excuse (see student handbook).

## 5. Textbook and Required Online Sources

- **Sapling**

You are required to subscribe to Sapling Learning Online Homeworks for Gerald Stone *CoreMicroeconomics* 2<sup>nd</sup> edition textbook (\$29.99) (ISBN 978-0-9833859-5-0). You have a 14 day grace period to pay once you register. Assignments will be graded and recorded.

- **Textbook Options**

We will use *CoreMicroeconomics* by Gerald Stone (2<sup>nd</sup> ed.). If you choose to buy the e-book version (2<sup>nd</sup> ed.) through Sapling then the e-textbook plus Sapling Learning is \$79.99. Or, if you buy the textbook from the publisher or OU bookstore (or used/older copies), then you need to buy Sapling Learning Online Homeworks access separately.

Additional readings are available from the course website at [learn.ou.edu](http://learn.ou.edu). Other course materials (chapter video lectures, chapter PowerPoint slides, problem sets, practice multiple choice questions, etc.) will be

posted on the course webpage at Desire to Learn throughout the semester. ***All students should check their OU email accounts and the course webpage regularly.***

## 6. Useful Websites

Animated online tutorials: <http://www.swlearning.com/economics/graphingworkshop/gwac/>

## 7. Academic Ethics

Cheating on assignments and exams, or plagiarizing (misrepresenting as one's own anything done by another) is penalized by the University of Oklahoma. A student found in such a situation will be given an F and will be brought to University of Oklahoma Honor Council for further penalties as defined under Academic Misconduct. For further information, refer to <http://integrity.ou.edu/>

## 8. Students with Disabilities

Any student who feels he or she may need an accommodation based on the impact of a disability should contact me privately as soon as possible to discuss his or her specific needs. For details refer to <http://drc.ou.edu/>

## 9. Religious Holidays

"It is the policy of the University to excuse the absences of students that result from religious observances."

## 10. Grading Scale

|             |    |             |    |
|-------------|----|-------------|----|
| 97.5-100:   | A+ | 77.5-79.9:  | C+ |
| 95-97.49:   | A  | 72.5-77.49: | C  |
| 90-94.49:   | A- | 70-72.49:   | C- |
| 87.5-89.9:  | B+ | 67.5-69.9:  | D+ |
| 82.5-87.49: | B  | 62.5-67.49: | D  |
| 80-82.49:   | B- | 60-62.49:   | D- |
|             |    | <60         | F  |

Your final grade will follow the University of Oklahoma's grading scale, that is A, B, C, D, and F without the intermediate grades on the left.

I reserve the right to adjust this schedule of grade equivalents in the student's favor.

**11. Course Outline and Reading Assignments**

| <b>ECON 1123 - Course Schedule</b> |   |  |   |
|------------------------------------|---|--|---|
| <b>Section 1</b>                   |   |  |   |
| <b>Week</b>                        | <b>Lesson</b>   | <b>Reading (author and page #)</b>                                 | <b>Assignments</b>  |
| Jan 13 – Jan18                     | Lesson 1: Exploring Economics   | Stone, Ch 1 - Ch2 (pp. 26-37)                                      | Quiz 1 (Due Jan 18)<br><br>Discussion Assignment 1: Shaking the Invisible Hand (Due Jan 18) |
| Jan 19 – Jan 25                    | Lesson 2: Supply & Demand: Equilibrium, Consumer Surplus, Producer Surplus; Price Controls; Taxes | Stone, Ch 3: Supply & Demand                                       | Quiz 2 (Due Jan 25)<br><br>Discussion Assignment 2: The 800-Pound McDonald (Due Jan 25)     |
| Jan 26 - Feb 1                     | Lesson 3: Supply & Demand: Taxes  | Stone, Ch 3: Supply & Demand                                       | Quiz 3 (Due Feb 1)<br><br>Discussion Assignment 3: Rent Controls (Due Feb 1)                |
| Feb 2 - Feb 8                      | Lesson 4: Elasticity  | Stone, Ch 5: Elasticity  | Quiz 4 (Due Feb 8)<br><br>Discussion Assignment 4: Drug Prices in Crisis (Due Feb 8)        |
| Feb 9 - Feb 13                     | Review for Exam 1   |  | <b>Exam 1</b> (Friday Feb 14)   |
| <b>Section 2</b>                   |   |  |   |
| Feb 15 – Feb 22                    | Lesson 5: Production & Cost Theory  | Stone, Ch 7: Production and Cost                                   | Quiz 5 (Due Feb 22)<br><br>Discussion Assignment 5: Why CEO Salaries Skyrocket (Due Feb 22) |
| Feb 23 – March 1                   | Lesson 6: Perfectly Competitive Markets   | Stone, Ch 8: Competition   | Quiz 6 (Due March 1)<br><br>Discussion Assignment 6: Big Bank Immunity (Due March 1)        |
| March 2 – March 8                  | Lesson 7: Imperfect Competition   | Stone, Ch 9: Monopoly  | Quiz 7 (Due March 8)<br><br>Discussion Assignment 7: Secret Fed Loans (Due March 8)         |
| March 9 – March 15                 | Lesson 8 - Imperfect Competition  | Stone, Ch 10: Monopolistic Competition, Oligopoly, and Game Theory | Quiz 8 (Due March 15)   |

|                     |  |   |  |
|---------------------|--|---|--|
| March 16 – 22       | Lesson 8 - Imperfect Competition             | Stone, Ch 10: Monopolistic Competition, Oligopoly, and Game Theory                                    | Quiz 9 (Due March 22)  |
| March 23 – 27       | Review for Exam 2                            |   | <b>Exam 2</b> (Friday March 28)  |
| <b>Section 3</b>    |  |   |  |
| March 30 – April 5  | Lesson 9 - Labor Markets                     | Stone, Ch 11: Theory of Input Markets (pp. 261 - 266, 275); Stone Ch 12: 287-294) & Assigned Readings | Quiz 10 (Due April 5)<br>Discussion Assignment 8: Unemployment (Due April 5)                       |
| April 6 – April 12  | Lesson 10 - Labor Markets and Discrimination | Stone, Ch 12: Labor Market Issues   | Quiz 11 (Due April 12)<br>Discussion Assignment 9: Of the 1%, by the 1%, for the 1% (Due April 12) |
| April 13 – April 19 | Lesson 11 - Economic Inequality              | Stone, Ch. 14: Poverty and Income Distribution  | Quiz 12 (Due April 19)<br>Discussion Assignment 10: Bailout Bonuses (Due April 19)                 |
| April 20 – April 26 | Lesson 12 - Market Failure and Externalities | Stone, Ch 13: Public Goods and Externalities; Ch. 4: Market Failure                                   | Quiz 13 (Due April 26)<br>Discussion Assignment 11: Health Care Debate (Due April 26)              |
| April 27 - May ??   | Review for Final                             |   | <b>Final Exam</b> (May ??)   |