



**JAMES MADISON UNIVERSITY
COLLEGE OF BUSINESS – DEPARTMENT OF ECONOMICS**

**Introduction to Microeconomics - ECON 201
Summer 2010**

Instructor: Nevin Cavusoglu (**contact info:** 568-8752; cavusonx@jmu.edu)
Class Meetings: MTWTh 12:00 – 2:40 pm in ZSh G1
Office & Off. Hrs: ZSh 411; MW 2:45 -3:45 pm; TTh 10:30 – noon, or by appointment

The purpose of this course is to introduce you to the principles and applications of microeconomics. We will study the economics behind individual and firm behavior. By analyzing the interaction between individuals and firms, we will study how a market economy works. We will also explore how markets are being affected by government policy and the presence of international trade. Graphical illustrations will be used for each topic, and there will be in-class experiments and projects. By the end of the semester, you will be able to analyze and describe economic events using basic concepts and techniques provided by the microeconomic theory.

Required textbook: O’Sullivan, A., S.M. Sheffrin and S.J. Perez, “Microeconomics: Principles, Applications, and Tools”, 6th ed. with MyEconLab access

Recommended: Study Guide by David Eaton

Topics to be covered:

Introduction and Basic Concepts

(Get started quiz due 11 pm on 5/17/2010)

Introduction: What Is Economics? – Ch.1 (Quiz #1 due 11 pm on 5/18/2010)

The Key Principles of Economics – Ch.2 (Quiz #2 due 11 pm on 5/18/2010)

Exchange and Markets – Ch.3 (Quiz #3 due 11 pm on 5/19/2010)

Demand, Supply, and Market Equilibrium – Ch.4 (Quiz #4 due 11 pm on 5/19/2010)

*******Exam 1 about here (May 20, 2010)*******

Supply and Demand Analysis

Elasticity: A Measure of Responsiveness – Ch.5 (Quiz #5 due 11 pm on 5/24/2010)

Market Efficiency and Government Intervention – Ch.6 (including parts of Ch. 19:
International Trade and Public Policy) (Quiz #6 due 11 pm on 5/24/2010)

Consumer Choice Using Utility Theory – Ch. 7 (Quiz #7 due 11 pm on 5/25/2010)

Market Structures and Pricing

Production Technology and Cost – Ch.8 (Quiz #8 due 11 pm on 5/26/2010)

*****Exam 2 about here (May 27, 2010)*****

Perfect Competition – Ch.9 (Quiz #9 due 11 pm on 6/1/2010)

Monopoly and Price Discrimination – Ch.10 (Quiz #10 due 11 pm on 6/1/2010)

Market Entry and Monopolistic Competition – Ch.11 (Quiz #11 due 11 pm on 6/2/2010)

Oligopoly and Strategic Behavior – Ch.12 (Quiz #12 due 11 pm on 6/2/2010)

*****Exam 3 about here (June 3, 2010)*****

Controlling Market Power: Antitrust and Regulation – Ch.13 (Quiz #13 due 11 pm on 6/7/2010)

Externalities and Information

Imperfect Information: Adverse Selection and Moral Hazard – Ch.14 (Quiz #14 due 11 pm on 6/7/2010)

Public Goods and Public Choice – Ch.15 (Quiz #15 due 11 pm on 6/8/2010)

External Costs and Environmental Policy – Ch.16 (Quiz #16 due 11 pm on 6/8/2010)

The Labor Market and Income Distribution

The Labor Market, Income, and Poverty – Ch.17 (Quiz #17 due 11 pm on 6/9/2010)

Unions, Monopsony, and Imperfect Information – Ch.18 (Quiz #18 due 11 pm on 6/10/2010)

*****Exam 4 (June 11, 2010)*****

INSTRUCTIONAL METHODS:

The course of study will consist of readings (from the book and additional articles), practice sets, quizzes, and exams. I will be using www.myeconlab.com to post announcements, and blackboard to post past exam copies, and your grades.

COURSE REQUIREMENTS/EXPECTATIONS:

EXAMS: There will be four in-class exams, the dates of which are determined as May 20, May 27, June 3, and June 11. Each midterm exam is going to cover the material covered since the last exam. However, by nature, it will be necessary to master the basics well in order to be able to build up, i.e. the topics are interconnected.

Exams will be closed book and will cover all material assigned throughout the semester, including extra readings and discussions. If you are not able to take the test during the assigned time, it is your responsibility to contact me **ASAP before the exam** to discuss appropriate steps. Otherwise, a make-up exam will be given only if you can present a document indicating the type of emergency (medical or family).

ONLINE QUIZZES: You will have a graded online quiz for every chapter on www.myeconlab.com (course ID: **XL0H-K1L7-501Y-1RY2**). Quizzes will make up 20% of your total grade. You will have a **24-hour window** to take the quiz. **You can take each quiz only once, and each quiz will have to be completed within a specific amount of time** (about 20 min) that will be displayed before you start the quiz.

Before each quiz, you will be assigned a practice set that will allow you to test your understanding of the corresponding chapter. After you complete the practice set, you will be given a personalized study plan that will allow you to solve more problems on the topics on which you need to work more. **To take the quiz, you have to have completed the corresponding practice set.** You will have six ‘free passes’, i.e. I will drop your lowest six quiz grades (out of 18). It is up to you how you use these, but they are mainly intended to provide a buffer against unexpected events and illnesses that prevent you from completing some quizzes or performing well on them.

On MyEconLab, you will be able to complete the practice sets and quizzes from any computer with an internet connection. Please don't forget that computers have very strict understanding of due date and time – the computer would not accept your excuse for being a few seconds late, and there is nothing I can do about that.

CLASS PREPARATION: You should come to class having read the assigned pages from the book as well as any assigned additional articles.

CLASS ATTENDANCE AND PARTICIPATION: Class attendance is not mandatory, and as such it is not an explicit part of your grade. However, I strongly recommend that you avoid missing classes and that you participate to class discussions, except when you are sick. **Extensive participation** in classroom discussions may add up to 2 extra points towards your final grade, which may boost your grade up if you are on the margin.

If you come down with a contagious illness such as a cold or flu, it is recommended that you stay home. The best way for you to catch up with missed class material will be to take notes from a classmate and read the relevant pages in the book. Thus, I would recommend that early in the semester (before you get sick) all of you determine two people in class who could provide you with their notes. If you still have questions after going through the notes and the book, come and see me after you get better. If there are any assignments during the period of your sickness and you are not able to complete these, these will be dropped, as explained above. For missing exams, I will need a doctor's note.

QUESTIONS: Questions are very welcome. You should ask any questions you have either in class, or in my office. Asking questions indicates that you are engaged and you want to understand, and learn more.

HONOR CODE: You are expected to know and adhere to the JMU Honor Code. You are not allowed to collaborate or take assistance on any graded part of the course, as long as I have not stated otherwise. The penalty for cheating is a failing grade for the course.

CLASSROOM ETIQUETTE: All pagers, cell phones and other noise making equipment should be switched off during class or in no-voice mode. You should start packing your notes and books only after I have dismissed the class. Opposite behavior produces noise that reduces the efficiency of the lecture. In case of any such distracting behavior I might request that you stop coming to class.

USE OF E-MAIL: While I agree that the e-mail is a great way of communication, I expect you to limit your use of e-mail to necessary issues only. I will not be responding to questions regarding any information that is already provided in the syllabus, or on www.myeconlab.com, such as

office hours, exam dates, quiz dates, coverage etc. Any important announcements made in class will also be posted on the MyEconLab website.

OFFICE HOURS: Unless I announce otherwise in class or on www.myeconlab.com, I am **always available during my office hours** for your questions. If my office hours do not fit your schedule, contact me to establish a separate meeting time.

Grading:

4 Exams:	80% (20% each)
Homework Assignments:	20%
In-class participation:	up to 2 extra credit points

This course tends to be challenging and requires quite a bit of work outside of class. However, you also need to be studying for the class in the ‘right’ way, so if you work a lot but are not able to get a good grade, come and see me to establish a strategy **early in the semester**.

Your letter grade for the course will be solely based on your performance and not on your need. The median score in the class corresponds to **at least** C/C+. So, as long as the average is in that range or higher, you are looking at a grade schedule that looks **approximately** as follows: A>88%; B>76%; C>64%; D>56%. If the average score is lower than a C, which happens extremely rarely, then I will scale the grades up.

ADD/DROP DATES:

Wednesday, May 19, 2010 – last day to **add** a class without instructor and academic unit head signatures; last day to **drop** a class (withdrawing from a class after the drop deadline results in a “W” grade on your transcript)

Friday, May 28, 2010 – last day to withdraw from class.

For study tips on studying for your economics classes, visit the following link:

<http://www.scsv.nevada.edu/~roncron/studytips.html>