ECON2106-Principles of Microeconomics
Summer 2009
M-F 11:45-12:45
Caldwell 304

Instructor: Esteban Afonso
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Office Hours: Mondays 1-2 PM, Thursdays 10-11 AM, or by appointment.

Course Description: Economics is a social science that uses a formal and mathematical approach to study human behavior. This class will introduce you to microeconomic theory by analyzing the basic decisions that households and firms who face limited time and resources make. By the end of this course you should have a solid foundation in the conceptual framework economists use to understand the world around them and be adept at applying this framework to examine real world issues yourselves.

Course Objectives:
Among the things you should understand by the end of the course are:

- Comparative advantage and how people benefit from economic interdependence.
- Supply and demand and how they coordinate interdependent economic actors.
- Elasticity and how it affects the outcome of government policies such as taxes, subsidies, and price controls.
- The basic tools of welfare economics and how to use them to evaluate the efficiency of markets.
- Scenarios in which markets “fail” and how government can act to correct these failures.
- The goals of the tax system and how these goals conflict with each other.
- The different types of market structures within which industries operate, and how market structure affects firm decisions and market efficiency.
- The neoclassical theory of production which explains how land, labor, and capital are compensated for their roles in the production process.
Prerequisites: There are no prerequisites for this course.

Required Materials:

- Subscription to the Aplia website. An electronic copy of the text is included with Aplia. The electronic version may be viewed online or printed, but if you prefer a traditional hard copy, you may order one through Aplia for $45 plus shipping.
- Readings from sources outside the texts may be assigned. These will be distributed in class or posted on Aplia at the appropriate points during the course.

Course Website: www.aplia.com

Preparation for Class: I expect you to complete the relevant section in Mankiw prior to class and to be able to answer questions and participate in class discussions about the readings. In addition, I will post incomplete lecture notes on Aplia. I expect you to print out a copy of the appropriate lecture notes before class and bring them with you. These lecture notes will form the basis of our in-class discussions.

Problem Sets: I will post weekly assignments in the form of problem sets and news analyses on the Aplia website. These assignments will be due every Monday at 11:00 PM. Keeping up with these assignments will be time-consuming but valuable. Typically, students who put the most effort into the problem sets perform best on the exams. While the problem sets account for 15% of your grade, their primary benefit, from a grade perspective, will be to prepare you for the exams. I will be here to help. I ask that you attempt to complete the assignments on your own but if you are struggling, do not hesitate to come to my office hours or email me.

I will drop the lowest two Aplia assignment scores at the end of the semester. Make sure to keep up with what is due on Aplia. Late assignments will NOT be accepted, and will receive a grade of zero. Do not wait until the last moment to do the assignment. The excuse that your internet connection was down WILL NOT be accepted as an excuse for late assignments. There will be no make-up assignments.

Exams: The two midterm exams and the comprehensive final exam will consist entirely of multiple choice questions. You may use a non-programmable calculator for all exams, but you may not use a cellular phone or programmable calculator. Be sure to have a pencil. Exam questions will be based on the lectures, the assigned chapters in the text, and the Aplia assignments and experiments. Please come to the exams on time. If you arrive late for an exam, you will be allowed to take the exam provided no student has left the classroom. However, you will not be given any extra time to complete the exam.
Grading Policy: The class grade will be based on your Aplia assignments (15%), two midterms (25% each) and a comprehensive final exam (35%). Curving of exam scores is at my discretion, and you should not rely on a curve to boost your grade.

Attendance Policy: Students are expected to attend all classes and will be held accountable for all material covered in class; however, there is no formal attendance policy. Be aware that the notes I post online are incomplete. Much of the material you will be responsible for will not be in these notes but rather given to you in class.

Exam Schedule
Midterm Exam 1: Wednesday, July 1 covering Chapters 2-7
Midterm Exam 2: Wednesday, July 22 covering Chapters 10-15
Comprehensive Final Exam: Thursday, July 30, noon-3 PM

No make-up exams will be given. If you have a legitimate reason to be absent from a midterm exam, the weight of that exam will be applied to your comprehensive final exam. Legitimate reasons include serious personal illness, family emergency, University activity (athletic event or documented course trip), or civic responsibility. Documentation of these circumstances will be required.

Failure to take the final exam at the scheduled time will result in a grade of zero. Two exceptions to this rule are:
(1) if you complete the process outlined by the Office of Curriculum Systems, [http://www.curriculumsystems.uga.edu/](http://www.curriculumsystems.uga.edu/) verifying that you have another final exam scheduled for the same time or three final exams scheduled on the same day.
(2) if you have a family emergency or serious illness that impedes your ability to take the final exam. Documentation of the emergency or illness will be required, and you are responsible for promptly making arrangements to reschedule the final exam.

Academic Honesty: Students are expected to adhere to the UGA Honor Code, which states, “I will be academically honest in all of my academic work and will not tolerate academic dishonesty of others. All academic work must meet the standards contained in A Culture of Honesty. Each student is responsible for knowing those standards before performing academic work. More details can be found at: [http://www.uga.edu/ovpi/academic_honesty/academic_honesty.htm](http://www.uga.edu/ovpi/academic_honesty/academic_honesty.htm)

Learning Disabilities or Health-Related Issues: Students with a disability or health-related issue who need a class accommodation should make an appointment to speak with me by June 12. Please present the appropriate documentation at that time.
Course Outline

Intro: Friday, June 5
Week 1: June 8-12
Ch. 2 Thinking Like An Economist
Ch. 3 Interdependence and the Gains from Trade
Friday: June 12: Experiment: Equilibrium Price and Quantity
Week 2: June 15-19
Ch. 4 The Market Forces of Supply and Demand
Ch. 5 Elasticity and Its Application
Week 3: June 22-26
Ch. 6 Supply, Demand, and Government Policies
Ch. 7 Consumers, Producers, and the Efficiency of Markets
Week 4: June 29-July 3
Ch. 10 Externalities
Ch. 11 Public Goods and Common Resources
Wednesday, July 1: Exam 1 covering Chapters 1-7
Week 5: July 6-10
Ch. 12 - The Design of the Tax System
Ch. 13 - The Costs of Production
Week 6: July 13-17
Ch. 14 Firms in Competitive Markets
Ch. 15 Monopoly
Week 7: July 20-24
Ch. 18 The Markets for the Factors of Production
Ch. 19 Earnings and Discrimination
Wednesday, July 22: Exam 2 covering Chapters 10-15
Week 8: July 27-29
Ch. 20 - Income Inequality and Poverty
Comprehensive Final Exam: Thursday, July 30, noon-3 PM

Note: The course syllabus is a general plan for the course; I may announce deviations from the syllabus to the class.
Student Registration and Payment Instructions

Course Name: Summer Econ 2106, Mankiw's Prin of Micro 5E  
Start Date: 06/05/2009  
Instructor: Esteban Afonso  
Course Key: 25MU-J43B-H4A3

You can begin working on your homework as soon as you register!

- In this course, you will use a textbook and Aplia's website.  
- In most cases, you can save money if you buy Aplia and your textbook together. See payment options below.  
- You will have access to a digital version of your textbook using Aplia.

Registration

If you have never used Aplia before...
2. Click the New Student link and enter your Course Key: 25MU-J43B-H4A3. Continue following the instructions to complete your registration.

If you have used Aplia before...
2. Sign in with your usual e-mail address and password and enter your Course Key when prompted: 25MU-J43B-H4A3. 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.

* You will have different payment options after you register for your course. If you choose to pay later, you can use Aplia without paying until 11:59 PM on 06/20/2009.

Payment

Option 1: Digital Textbook with Aplia Access  
- From Aplia: Purchase access to your course from Aplia's website for $80.00 USD.  
- From Bookstore: Purchase an Aplia Access Card from your campus bookstore.

Option 2: Physical Textbook with Aplia Access (also includes digital textbook)  
- From Aplia: Purchase access to your course for $80.00 USD and a physical book for $45.00 USD from Aplia's website.  
- From Bookstore: Purchase an Aplia Access Card and a physical book together as a bundle from your campus bookstore.

* If you purchased an Aplia Access Card from a bookstore, enter the Access Card’s payment code on Aplia's website as payment for your Aplia course.

* You will have access to your digital textbook up until the end of this course.