

Economics 2103

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Hours 10:30-noon Monday and Wednesday; also by appointment

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Purpose

The purpose of this course is to teach you to basic microeconomic principles that can be used to improve decision-making. Economic principles can be widely applied to problems in business, government, as well as in your everyday life. Emphasis will be placed on your understanding of the basic microeconomic principles as well as your ability to use the principles in new settings.

Guarantee

Your ability to apply economic principles will increase your value in the marketplace. Economics is a powerful tool that will enable you to simplify the world around you. Command of economic principles will make you a serious force to be reckoned with in whatever endeavor you choose to pursue. Remember, knowledge is power.

Recommendation

I recommend that you find a study partner. There is a lot of material to learn in this course and much of it will appear to be overly technical (though I promise you that I will avoid anything that I do not deem necessary to achieve our stated purpose). Each person in the course will have different opportunity costs

associated learning the many things that we are covering. Therefore there are ample possibilities to use the law of comparative advantage to your advantage.

The only way to learn economics is by following the example provided by the tortoise. The slow and steady method of study is the best way to succeed in this course. If you try to learn 4 weeks worth of economic principles in 1 night before an exam, you will not do well. The things you learn in this class are cumulative. That means, for instance, to do well on test 3 you need to have mastered the material covered on tests 1 and 2. If you do poorly in the beginning, you can not expect dramatic improvement unless you are somehow able to catch up and master the material you've missed. That is, of course, doing it the hard way. I don't recommend that approach.

Prerequisites

This course is self-contained. There are no prerequisites for this course. Familiarity with how to access information on the Internet will be helpful. Specifically, you should be able to access my web page using Netscape or Internet Explorer. This will be useful because it contains useful information about this course and its contents.

Texts

Principles of Microeconomics, by Robert Frank and Ben Bernanke. New York: McGraw-Hill/Irwin, 2001.

An acceptable alternative: Gwartney, Stroup, and Sobel. *Microeconomics: Public and Private Choice*, 9th edition. Dryden Press, 2000.

Course Outline

1. The Economic Way of Thinking (Chapter 1)
2. Some tools of the economist (Chapter 2)
3. Comparative Advantage (Chapter 3)
4. Demand & Supply (Chapter 4)
5. Market Failure (Chapter 11)

6. Microeconomic foundations of Demand and Supply
 - (a) Demand and Consumer Choice (Chapter 5)
 - (b) Costs and the Supply of Goods in Competitive Markets (Chapter 6)
 - (c) Economic Efficiency (Chapter 7)
 - (d) Free Markets and the Invisible Hand (Chapter 8)
7. Other Stuff
 - (a) Monopoly and Imperfect Competition (Chapter 9)
 - (b) Labor Markets (Chapter 13)

Exams and Grading

All exams will be, for the most part, multiple choice. No make-up exams will be given under any circumstance. An exam that is missed will be assigned a grade of 0, unless I am notified prior to the exam and only if the excuse is a legitimate medical one or officially approved. You must obtain my approval before missing an exam. In general, missed exams will not be retaken; instead, additional weight will be given to a final comprehensive exam. I reserve the right to make any arrangement other than the one stated here that suits my convenience. Experience shows that students who miss an exam, for whatever reason, perform worse in the course than others who don't.

Exams

Four exams will be given during the semester. Each of the exams counts 25% of your grade. No extra credit assignments will be given under any circumstance.

Do not miss an exam. If for some reason you anticipate a schedule problem (like officially approved athletic travel dates, etc.), talk to me well before the exam so that an alternative arrangement, when possible, can be made. Remember, if you miss an exam without prior approval, you will get a zero. That means that you'll probably get an F in the course. Don't mess up!

Grades

Grades will be assigned on the following scale.

90\%-100\%	= A
80\%-89.99\%	= B
70\%-79.99\%	= C
60\%-69.99\%	= D
Below 60	= F

Important Dates

January 25	Last day to drop with no grade
March 16 - 25	No class. Spring Break.
April 12	Last day to drop a course with "W"
April 26	Last day to withdraw from all courses with "W" or "F"
May 10 (Friday)	Final Exam, 4:30-6:20.

Attendance Policy

Although I do not take role very often, I expect you to attend class everyday. You cannot expect to learn very much about economics this semester unless you attend this class regularly. That is not to say that everything you learn about economics this spring will be learned in class. Learning anything as powerful as economic principles is never that easy. On the contrary, most of what you will learn will be learned outside of class as you read, study, and discuss economics with your classmates. The purpose of class is to inform your reading, study, and discussions; lectures are used to present the basic structure of the economic models, illustrate points, answer questions, and to point out subtleties that would otherwise escape your attention. Without attending class, you won't have much of a clue about what or how to study. Attendance is crucial. It benefits you, your classmates, and me.

The taxpayers of Oklahoma provide the University a substantial subsidy to cover the cost of your education (they pay about 77%). In order to protect the taxpayers' overwhelming interest, I reserve the right to deny assistance to any enrolled student who does not attend class on a regular basis. Office hours are provided to assist those who take their academic responsibilities seriously. In other words, if you don't come to class regularly, don't bother coming to my office either.

Cheating Policy

Cheating in any form will not be tolerated. If you are caught cheating on an exam you will be given a zero for that exam and your actions will be reported to the proper authorities, which include your advisor, my department head, your academic dean, and the Office of Student Conduct. Cheating includes, but is not necessarily limited to, the following: obtaining, using, or distributing a copy of an exam before it has been given to all who are required to take the exam; altering your exam after it has been graded; copying answers or otherwise obtaining assistance from another student during an exam; using materials that are not permitted during an exam (e.g., cheat sheets); and providing information about an exam to other students who have yet to take the exam. It is also your responsibility to take the necessary precautions to prevent another student from seeing and/or using your exam as a source of information. Be smart, don't cheat.

Unofficial Course Motto: Socialism is bad. (I get 16 weeks to explain why.)

Official Course Motto: Economics is Fun! (You get 16 weeks to discover how much).

How to Succeed in Econ 2103

If you want to succeed in Econ 2103 there are several things which you must do on a regular basis. Average students (those with 2.5 GPA) can usually make above average grades in my class if they develop proper study habits. The basic rule of thumb is: Spend 6 hours per week studying economics and success is likely to follow. Here is my personal formula for improving performance.

Read the book. Read assigned material before coming to class. This prevents what I call the foreign language syndrome (FLS). FLS occurs when students attend class, but don't have a clue as to what the professor is saying... he is apparently speaking in an unknown tongue. Students then rationalize not attending class by saying to themselves, "I don't get anything out of his lectures."

Attend class regularly. For most, reading the book and completing the study guide are necessary but not sufficient conditions for doing well in Econ. You will find that by attending class you will often discover what the teacher finds important. If the teacher believes something is important, then By attending class and paying attention to what I say, you will often be able to economize on the amount of material you need to cover on your own.

Review your notes. After each class, it's a good idea to review that day's notes. Take a few minutes to make sure everything you have written down is 1) correct and 2) makes sense to you. You will usually find "truth" in your textbook. If your notes or your book don't make sense, either figure out why or ask about it in the next class. If you solve each of these little puzzles as you go along, then when test time comes you'll be working under much less stress and will tend to do much better.

Use the study guide. The study guide will give you much needed practice in answering questions like those you'll see on the exam. How often have I seen students bomb the first exam simply because they weren't used to seeing questions put in that format. Practice makes perfect ... And besides, it's not unusual for me to put a few of these on the exams.

Rewrite notes. If you are really serious about improving your grade, I've found that it is a good idea to rewrite your notes at least once before the exam. There is some mysterious force at work in the universe which imparts greater understanding and memory to those who actively participate in the learning process. Active participation includes such things as discussion and writing. Reading notes is not active. Writing the notes is active, and by doing this, you will improve comprehension and retention and will improve your grade.

Don't cram. For the type of thinking exams you will encounter in this class, it is very important that you keep up and study as you go along. And, whatever you do, please don't stay up all night studying before an exam. This is just about the biggest mistake one can make in an economics class. At that point, you will do better with a fresh mind than one dulled with fatigue and filled loose 'facts'.