Course Outline

General Information

This course is concerned with the basic ideas of microeconomic theory. It is designed to provide students with an opportunity to learn some basic principles and to apply them to the study of some pressing economic and social issues. It is tentatively organized into parts listed in the plan below.

About the Instructor

The instructor is one of the principal design architects for the Midwest wholesale electricity market, which began on 1 April 2005. This market has been designed to be a competitive one, with billings in the range of $15 - $30 billion annually, and is one of the largest electricity markets in the world.

Required Textbook: Microeconomics (9th Edition)
Michael Parkin, 2009.

Primary resources for the course are the lectures, readings and problems discussed in class. The lectures are intended to complement the readings, not substitute for them. At any time, the lectures may comment on, extend or refute the contents of the text.

This course is divided into four parts. The first part provides common ground, going over fundamental tools and methods. The second part describes how markets work. The third part emphasizes theoretical analysis, describing different types of markets. And the fourth part discusses policy analysis, addressing market failure.

Grading:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tbody>
<tr>
<td>Hour exams - 2 each/ 100 points each</td>
<td>200</td>
</tr>
<tr>
<td>Quizzes - best 4 of 5, 25 points each</td>
<td>100</td>
</tr>
<tr>
<td>Final exam</td>
<td>125</td>
</tr>
<tr>
<td>Presentation/Contribution</td>
<td>75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
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Department of Economics

Standards for Grading:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Grade</th>
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<tbody>
<tr>
<td>90-100%</td>
<td>A</td>
</tr>
<tr>
<td>80-89%</td>
<td>B</td>
</tr>
<tr>
<td>70-79%</td>
<td>C</td>
</tr>
<tr>
<td>60-69%</td>
<td>D</td>
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plus-minus grading is used
97-100 A+  77-79 C+
93-96 A   73-76 C
90-92 A-  70-72 C-
87-89 B+  67-69 D+
83-86 B   63-66 D
80-82 B-  60-62 D-

Make-Up Exams:

A make-up may be scheduled for legitimate reasons, such as illness or death in the family. To be considered for a make-up, you should notify me before the exam. Make-up quizzes may be oral.

Incomplete grade:

From the Liberal Arts Bulletin, “The grade of incomplete is an agreement between the student and the instructor and is assigned only when a student has successfully completed at least three-fourths of the work with passing quality and if unusual circumstances prevent the student from completing the work within the semester.

Administrative Withdrawal:

A basic requirement of this course is that you will participate in class and conscientiously complete writing and reading assignments. Keep in touch with me if you are unable to attend class or complete an assignment on time. If you miss more than half our class meetings within the first four weeks of the semester without contacting me, you will be administratively withdrawn from this section. Our class meets once per week; thus if you miss more than two classes in the first four weeks, you may be withdrawn.

Administrative withdrawal may have academic, financial, and financial aid implications. Administrative withdrawal will take place after the full refund period, and if you are administratively withdrawn from the course you will not be eligible for a tuition refund. If you have questions about the administrative withdrawal policy at any point during the semester, please contact me.
Plan of the Course: Core Topics

Currently the course is built around a set of 15 core topics listed below.

1. Production Possibilities (2)
2. Opportunity Costs and Tradeoffs (1)
3. Supply, Demand and Market Equilibrium (3)
4. Regulation: Price Floors/Ceilings (2)
5. Elasticity (2)
6. Consumer Behavior (2)
7. Tax Incidence (2)
8. Cost Curves (2)
9. Profit Maximization (1)
10. Short Run Supply Curves (1)
11. Long Run Competitive Equilibrium (2)
12. Monopolies, Monopoly vs. competition, regulation (2)
13. Market Failures/Externalities (1)
14. Comparative advantage, trade and tariffs (2)