

William & Mary
Principles of Microeconomics
Syllabus

ECON 101
Fall 2021
Mon., Wed., Fri.
Section 03: 9:00 - 9:50 a.m.
Section 04: 10:00 - 10:50 a.m.
Washington Hall 201

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Course description and objectives

This course is for any student and has no pre-requisites. It also carries the Cultures, Societies, and the Individual (CSI) knowledge domain attribute for the COLL curriculum.

The principles of microeconomics will help you make decisions and understand what goes on in the world we observe. We will study the behavior of individual people, business firms, and governments. We will also study how the interactions among those actors induce observed social phenomena such as production, prices, taxes, government regulation, and employment. The tools in this course are also useful in dating, raising children, planning vacations, and eating out. They will help you get a job after college.

The objective of the course is to enable students to think like economists when they want to. This includes identifying and weighing costs against benefits in making a choice, recognizing the incentives facing others, knowing the virtues of the market system, and knowing the weaknesses of the market system.

Healthy Together Community

We're learning this semester under pandemic conditions. Members of the class (including, of course, Prof. McHenry) will fulfill the Healthy Together Community Commitment to the best of our ability (<https://www.wm.edu/sites/pathforward/health/index.php>). We will make mistakes. This course will be a place of graciousness in the midst of anticipated messiness. This semester our study of economics will clarify that I count on you making socially responsible decisions, just as you count on me (see "externalities" and "public goods"). Let's do what we can to keep each other healthy and focused as much as possible on learning.

In addition, we recognize that plans may need to change depending on public health conditions and regulatory guidance. Please communicate with me about what you need.

Poll Everywhere and in-class quizzes

We will use a student response system called Poll Everywhere in class to complement lectures and facilitate quizzes. You might want to download the free Poll Everywhere app (not required, but it'll be convenient).

Please use the URL below for information about registering for an account and associating your account with my class.

<https://www.wm.edu/offices/it/services/responsecollection/studentresponsesystem/index.php>

There is no fee associated with your student Poll Everywhere account; however, you must log-in with your W&M e-mail and password by selecting the "SSO" option at log-in.

Most polls in class will be informal and ungraded. Some will be formal and graded. I plan to have formal in-class quizzes on Poll Everywhere beginning on September 13. Formal in-class

quizzes will account for 5 percent of the course grade. In-class quizzes are not listed on the course schedule but will occur frequently. They make attendance in class count toward your grade. Instead of getting no credit for a missed in-class quiz, a student will receive her or his final exam score in its place. This is a way to give students a make-up opportunity for missing in-class polls that are graded.

Weekly quizzes

You will learn more economics if you study throughout the semester (ideally every day) rather than just before exams. With that in mind, I assigned weekly quizzes. Each weekly quiz consists of 15 multiple-choice questions on Blackboard. Answers will be revealed after the quiz is due at the end of Sunday (11:59 p.m.) each week.

During the week of Thanksgiving and the last week of the semester, Blackboard will feature questions where quizzes would normally be. But those activities will be ungraded, exclusively for no-pressure study and practice.

Weekly quizzes are to help you study steadily and keep up with class material. They come along when the material is relatively new and are not intended to reveal the ultimate depth of your understanding. Therefore, the weekly quiz questions are less challenging than exams, which come after more study and are designed to reveal different levels of understanding. So please don't use the weekly quizzes to check whether you're prepared for an exam.

Examinations

The course includes three midterm exams and a final exam. See the schedule below for their dates. ***There will be no alternative dates for missed midterm exams (make-up exams). Missing an exam earns a zero for that exam.*** Please check your personal schedule against the exams in the course schedule below.

I will replace a student's lowest midterm exam score with his or her final exam score if the final is better than the midterm. If the final exam score is lower than the lowest midterm score, then I won't make a replacement. This policy provides a way to miss a midterm exam if necessary without reducing the course grade. It is also an insurance policy to shield students from single disappointing midterm exam performances.

A student who has already missed a midterm exam and misses another may be exempted from the latter exam in extenuating circumstances. Those include severe illness and participation in College-sanctioned events that preclude taking the exam. Students pursuing such an exemption should discuss the situation with Prof. McHenry prior to the exam if at all possible and must provide documentation of the conflict.

The final exam is cumulative and mandatory. Make-up final exams will be available only in extraordinary circumstances with documentation from the dean of students office.

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. If you feel you may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis, please contact Student Accessibility Services staff at 757-221-2512 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, see www.wm.edu/sas. This is a student responsibility, not a professor responsibility. If this applies to you, please begin the process weeks before the first exam (which is on September 22).

Course requirements

Formal quizzes in class (Poll Everywhere)	5%
Weekly quizzes (on Blackboard)	10%
Midterm exams (3 of them, 20% each)	60%
Final exam	<u>25%</u>
	100%

Grading standards

Letter grades for the course will be based on a standard 100-point scale where 93-100 implies an A, 90-92.9 implies an A-, 88-89.9 implies a B+, 83-87.9 implies a B, and so on. I will adjust exam grades up if the class median is low. In particular, I will increase all scores uniformly until the median is at least 82 (B-), except that the maximum score increase is 10 points. I will not adjust scores downward if the median is high.

Office hours and other access to the instructor

I will be available in Chancellors Hall room 228 from 1 to 2 p.m. each Monday, Wednesday, and Thursday during the semester (except Break Days). Room 228 is a group meeting room down the hall from my office (to accommodate more students than my office can). *You do not need to schedule an appointment to meet with me during office hours. Just come.* Please send me e-mail if you want to schedule a meeting outside of those times.

Honor Code

I encourage you to collaborate in your studies and discussion of economics this semester. However, weekly quizzes and all exam work should be completed without the aid of other people (e.g., classmates). You may refer to class notes and other instructional material while completing weekly quizzes but not during exams. That is, exams will be “closed book.” The use of unauthorized aid on a weekly quiz or an exam is a violation of the Honor Code.

Songs

My family is full of musicians. We’ve enjoyed finding music about economics. Before class meetings, I’ll play a song related to the day’s topic. If you’re interested, look for the list of songs at Spotify:

<https://open.spotify.com/user/petermchenry/playlist/1BvBP2NnGFDOp7Wm6g3BOL>.

Textbooks

The course does not require a textbook. You can succeed in this course without owning (or renting) a textbook. I make plenty of study and practice material available through the semester. However, many students feel better with a textbook to follow and use for reference. If that’s you, I recommend *Principles of Microeconomics* by Greg Mankiw. There is a ninth edition of the book, but I’m sure that a fourth or later edition would be equally helpful. If I were in your shoes, I’d buy a used copy. I just found used sixth editions for about \$20 at amazon.com. Most introductory microeconomics textbooks cover the same material, and I think you would do equally well with any of the major options (e.g., Krugman & Wells; Hubbard & O’Brien; Case, Fair, & Oster).

Schedule

(exams in **bold** font)

Wed. 9/1	Introduction to economic thinking
Fri. 9/3	Political and economic institutions
Mon. 9/6	Principles of microeconomics
Wed. 9/8	W&M Mercantile Exchange
Fri. 9/10	Introduction to markets and Demand <i>Add/Drop period ends</i>
Mon. 9/13	More about demand
Wed. 9/15	Supply
Fri. 9/17	More about supply
Mon. 9/20	Review
Tues. 9/21	<i>Supplemental review session, 8 to 9 p.m. (location to be announced)</i>
Wed. 9/22	Midterm exam 1
Fri. 9/24	Market equilibrium
Mon. 9/27	Applications of market demand, supply, and equilibrium
Wed. 9/29	Elasticity
Fri. 10/1	Applications of market equilibrium and elasticity
Mon. 10/4	Positive versus normative analysis; Consumer surplus and producer surplus
Wed. 10/6	Market prices and efficiency
Fri. 10/8	Efficiency and critiques of the market allocation
Mon. 10/11	Price controls
Wed. 10/13	Taxation
Fri. 10/15	Costs of taxation
FALL BREAK	
Wed. 10/20	Review
Thurs. 10/21	<i>Supplemental review session, 8 to 9 p.m. (location to be announced)</i>
Fri. 10/22	Midterm exam 2
Mon. 10/25	Externalities
Wed. 10/27	More about externalities
Fri. 10/29	Public goods
Mon. 11/1	Common resources <i>Last day to withdraw</i>
Wed. 11/3	Costs of production
Fri. 11/5	Firms maximizing profits

- Mon. 11/8 More about firms maximizing profits
 Wed. 11/10 Supply curve in a competitive market
 Fri. 11/12 Equilibrium in a competitive market
- Mon. 11/15 Review
 Tues. 11/16 *Supplemental review session, 8 to 9 p.m. (location to be announced)*
 Wed. 11/17 **Midterm exam 3**
 Fri. 11/19 Monopoly
- Mon. 11/22 Monopolistic competition and price discrimination

THANKSGIVING BREAK

- Mon. 11/29 Price discrimination
 Wed. 12/1 Game theory
 Fri. 12/3 Oligopoly
- Mon. 12/6 Comparative advantage
 Wed. 12/8 International trade
 Fri. 12/10 Adverse selection and moral hazard

- Thurs. 12/16 Final exam for 9 a.m. section 03 (exam is 9 a.m. to noon)**
Fri. 12/17 Final exam for 10 a.m. section 04 (exam is 2 p.m. to 5 p.m.)

Instructor: Peter McHenry

I was born 50 miles away into a Navy family in Portsmouth, VA. I earned my BS in economics from Vanderbilt and my PhD in economics from Yale. My research is in labor, regional, and health economics. Much of my research is about migration behavior (of people, not birds). I recently studied population adjustments in the U.S. to the rapid increase in trade with China that accelerated in 2001. I spend a lot of my time these days combing through data about nursing homes and their employment of nurses.

Principles of Microeconomics is my favorite college class. I want you to learn a lot of economics this semester. I welcome your questions and comments. My contact information is on the first page.

