

William & Mary
Principles of Microeconomics
Syllabus

ECON 101
Fall 2019
Mon., Wed., Fri.
Section 01: 9:00 - 9:50 a.m.
Section 02: 10:00 - 10:50 a.m.
Tucker Hall 127A

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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.

Poll Everywhere and in-class quizzes

We will use a student response system called Poll Everywhere in class to complement lectures and facilitate quizzes. Please bring a smart phone, tablet, laptop, or other web-capable device to every class. If you use an Apple or Android device, please 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.

<http://www.wm.edu/offices/it/services/academicssupport/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. If you need assistance setting up your device to work on the W&M wireless network, please navigate to the IT help page: <http://www.wm.edu/offices/it/gethelp/index.php>

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 9. Formal in-class quizzes will account for 4 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.

Online lessons and quizzes

Four William & Mary economists (including me) prepared online lessons for you. Your homework will include working through those lessons and taking a quiz at the end of each one. The online lessons are interactive, hopefully interesting, and maybe even fun. They help you discover economic concepts *before* we talk about them in class. So this isn't just online regurgitation homework: it's a learning opportunity.

The online lessons are on a platform called Smart Sparrow. Links to lessons are available at our Blackboard course site (blackboard.wm.edu/). Once you register for the course, you'll have access to course material on the Blackboard site. The first time you click on a link to a Smart Sparrow online lesson, you'll be asked to pay \$10. That gives you access to Smart Sparrow lessons and quizzes for the full semester (you only pay once for ECON 101). There is no required textbook for our course, and this \$10 is the only required payment. Please access Smart Sparrow lessons only through our Blackboard course site; that will ensure that your Smart Sparrow payment and work get appropriately linked with ECON 101.

There are seven online lessons spread through the semester. Links to the lessons will open on Blackboard several days before their subjects come up in class meetings. You should complete each lesson and its associated quiz by 11:45 p.m. on the due date (the day before the material becomes relevant for a class meeting). Quizzes at the end of online lessons count toward your final grade. Specific online lesson titles and due dates are:

<i>Online lesson</i>	<i>Due date (by 11:45 p.m.)</i>
1. Supply & Demand	Sept. 8 (Sunday)
2. Elasticity	Sept. 17 (Tuesday)
3. Efficiency in a Market	Sept. 24 (Tuesday)
4. Taxation	Oct. 1 (Tuesday)
5. Common Resources	Oct. 10 (Thursday)
6. Production & Costs	Oct. 29 (Tuesday)
7. Insurance Markets	Dec. 3 (Tuesday)

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.*** If you are involved in activities with trips (e.g., sports, choir, Model UN), 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. These 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 23).

Course requirements

Formal quizzes in class (Poll Everywhere)	4%
Midterm exams (3 of them, 20% each)	60%
Final exam	28%
Online lesson quizzes (Smart Sparrow)	<u>8%</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 implies an A-, 88-89 implies a B+, 83-87 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 my office (Tyler 256) from 1:30 p.m. to 2:30 p.m. each Monday, Wednesday, and Thursday during the semester (except Thanksgiving week). *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, graded homework assignments and all exam work should be completed without the aid of other students. Furthermore, students will not be allowed to refer to outside sources during exams. I consider the use of unauthorized aid on a graded homework assignment or exam to be 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 about 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, some 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 seventh 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 half.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

(assignments in **bold** font)

Part I. Economic principles and the analysis of markets

Wed. 8/28	Introduction to economic thinking
Fri. 8/30	Political and economic institutions
Mon. 9/2	Principles of microeconomics
Wed. 9/4	William & Mary Mercantile Exchange
Fri. 9/6	Positive versus normative analysis <i>Add/Drop period ends</i>
Sun. 9/8	Supply & Demand online lesson quiz due 11:45 p.m.
Mon. 9/9	Demand
Wed. 9/11	Supply
Fri. 9/13	Market equilibrium
Mon. 9/16	Applications of market demand, supply, and equilibrium
Tues. 9/17	Elasticity online lesson quiz due 11:45 p.m.
Wed. 9/18	Elasticity
Fri. 9/20	Review
<i>Sun. 9/22</i>	<i>Supplemental review session, 7:30-8:30 p.m., Small Hall 110</i>
Mon. 9/23	Midterm exam 1

Part II. Market efficiency, market failure, and government activity

Tues. 9/24	Efficiency in a Market online lesson quiz due 11:45 p.m.
Wed. 9/25	Consumer surplus and producer surplus
Fri. 9/27	Efficiency and critiques of the market allocation

Mon. 9/30 Price controls
Tues. 10/1 Taxation online lesson quiz due 11:45 p.m.
 Wed. 10/2 Taxation
 Fri. 10/4 Costs of taxation

 Mon. 10/7 Externalities
 Wed. 10/9 Public goods
Thurs. 10/10 Common Resources online lesson quiz due 11:45 p.m.
 Fri. 10/11 Common resources

FALL BREAK

Wed. 10/16 Review
Thurs. 10/17 Supplemental review session, 7:30-8:30 p.m., Small Hall 110
 Fri. 10/18 **Midterm exam 2**

Part III. Behavior and interactions of individual people and business firms

Mon. 10/21 Consumer theory: Models and preferences
 Wed. 10/23 Consumer theory: Budget constraints and optimization
 Fri. 10/25 Consumer theory: Optimization with changing income and prices

 Mon. 10/28 Consumer theory: Optimization with changing income and prices
Last day to withdraw
Tues. 10/29 Production & Costs online lesson quiz due 11:45 p.m.
 Wed. 10/30 Costs of production
 Fri. 11/1 Firms maximizing profits

 Mon. 11/4 Supply curve in a competitive market
 Wed. 11/6 Equilibrium in a competitive market
 Fri. 11/8 Review

Sun. 11/10 Supplemental review session, 7:30-8:30 p.m., Small Hall 110
Mon. 11/11 Midterm exam 3

Part IV. Selected topics in microeconomics

Wed. 11/13 Monopoly
 Fri. 11/15 Monopolistic competition and price discrimination

 Mon. 11/18 Price discrimination
 Wed. 11/20 Game theory
 Fri. 11/22 Oligopoly

 Mon. 11/25 Comparative advantage

THANKSGIVING BREAK

Mon. 12/2 International trade

Tues. 12/3 Insurance Markets online lesson quiz due 11:45 p.m.

Wed. 12/4 Adverse selection and moral hazard

Fri. 12/6 Review

Tues. 12/17 Final exam for 9 a.m. section 01 (exam is 9 a.m. to noon)

Wed. 12/18 Final exam for 10 a.m. section 02 (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. Toward that end, I welcome your questions and comments. My contact information is on the first page.