

Economics 1010 (A2, B2, & C2) - Course Outline

Instructor: Neil Hepburn
Class Times: 10:00 - 10:50 MWF (A2) Rm A212
11:00 - 12:20 TR (B2) Rm B208
13:30 - 14:50 TR (C2) Rm B201
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Introduction and Objectives

The objectives for this course are as follows:

1. Understand how consumers, as economic agents, make purchasing and labour supply decisions.
2. Understand how firms, as economic agents, make production and supply decisions.
3. Understand how the interaction of consumers and producers leads to a market equilibrium.
4. Be able to apply concepts from the course to analyse the effects of various policies as they relate to the market place.
5. Recognise and understand institutions as they apply to the Canadian economy.

Your Responsibilities

1. You are responsible for assigned readings before coming to class.
2. Regular attendance is a must for success in this course. The progression of material and ideas is sequential: What we do next week is based upon what we did this week.
3. If you must miss a class, it is your responsibility to get notes and handouts from someone else in the class.
4. Assignments are to be handed in by 4:30 on the day they are due. After this time the solution sets will be available in the library. Therefore, assignments handed in after this time cannot be accepted.
5. Please arrive for class prepared and on time. People coming in late are disruptive to the rest of the class.
6. Please note that we will be making extensive use of high school algebra (yes, math 30 does have a purpose.) However, I will NOT be using calculus in this course.



Text Books

The main texts for this course are:

Blomqvist, Wonnacott, and Wonnacott. *Microeconomics, Fourth Edition*, McGraw-Hill Ryerson Ltd. 1994

Blomqvist, Wonnacott, Wonnacott, and Hobson. *Study Guide to Accompany Microeconomics, Fourth Edition*, McGraw-Hill Ryerson Ltd. 1994

Selected Readings on reserve in the Library

In addition, the library has several other texts that may be of use to you as additional sources of information.

Evaluation and Grading

There are eleven weekly assignments, I will drop the lowest one. Each assignment consists of five questions, of which I will be marking three. The three questions to be marked are selected by random draw on the assignment due date. These weekly assignments make use of material covered in class during the week in which they are assigned.

There is also a term assignment. This assignment will be handed out in approximately the fourth week and includes material from the entire course. Each person's assignment is different in terms of numbers and parameters used, but the problems are the same. For this reason I strongly encourage you to work together since sharing of answers is not possible.

There are two midterm exams and one final exam. Each of the midterms covers material taken up to that point. The final exam covers material from the entire course with an emphasis on material taken since the second midterm. The exams are of a mixed format: Multiple choice, true/false/uncertain, and problem questions.

Grade Weights and Grade Assignment

Best 10 out of 11 Assignments	20.00%
Term assignment	15.00%
Midterm 1	15.00%
Midterm 2	15.00%
Final	35.00%
Total	100.00%

Grande Prairie Regional College uses a 9-point grading system (scores range from 1 to 9). However, due to the nature of this course and the course work, marking will be done on a percentage basis. Once the final grades have been calculated according to the weights above, I will convert the scores to stanine grades according the following chart.

Percent	Grade	Percent	Grade
$P > 90\%$	9	$50 \leq P < 57$	4
$80 \leq P < 90$	8	$45 \leq P < 50$	3
$72 \leq P < 80$	7	$26 \leq P < 45$	2
$65 \leq P < 72$	6	$0 \leq P < 26$	1
$57 \leq P < 65$	5		

Note that the breakpoints go up to each grade. To calculate final grades, I will not be rounding up or down. This means that a 71.9 will NOT be rounded up to a 72. In order to avoid a situation where you get a 71.99% and get a 6, make sure that you get over 72%, etcetera

If you believe that I made an error in marking your assignment, you can resubmit it to me. I will then go through and remark the entire assignment and make whatever adjustments are appropriate, whether in your favour or not.

Any grade adjustments, if any, will be made at the end of the course. This will only happen in extreme circumstances. Adjustments will be done with the use of standardised z-scores around a target mean of 68% and the population standard deviation for all three sections combined.

Extra Help

1. Use all resources in the textbook: the index; end of chapter exercises; and solutions at the back of the textbook. Also, the study guide that accompanies the textbook is an excellent reference.
2. Visit me during my office hours and other free times. It is imperative that you begin getting help sooner than later. Also, to make the best use of your time and mine, please have specific questions in mind before coming to see me. You might try writing down a list of questions for me. This will help you focus your attention on the areas that really need work.
3. Get help from your peers by forming study groups. Meet regularly with a plan to discuss specific material and concepts. Discussion questions in the textbook can help to provide a focus for the study sessions.
4. I am willing to clarify questions for you, but I cannot give detailed help with assignment questions since they are being graded for course credit.



Material to be Covered

A. Introduction

Economic problems and goals	Ch. 1
Scarcity and choice	Ch. 2
Specialisation and exchange	Ch. 3

B. Foundations of Microeconomic Analysis

Demand, Supply and the market mechanism	Ch. 4
Elasticity	Ch. 6
Consumer Theory	Ch. 7

C. Production

The Firm - Organisational structure and finance	Ch. 8
Production and Cost	Ch. 9
Supply in a perfectly competitive market	Ch. 10
The efficiency of perfect competition (the fairy tale)	Ch. 11

D. Market Failure

Monopoly	Ch. 12
Monopolistic Competition and Oligopoly	Ch. 13
Government Regulation	Ch. 14
Government's role in the economy	Ch. 5

E. Factor Markets

Wages and employment - theory and reality	Ch. 15&16
Rent, Interest, and Capital	Ch. 17
Income equality	Ch. 18

F. Issues in Microeconomics

Public Goods and Public Choice	Ch. 23
Environmental Economics	Ch. 22

Other Considerations

- ❖ A detailed calendar of events will be handed out at the start of each month.
- ❖ Consult the survival guide for economics courses (handed out with the course outline.)
- ❖ Although I have set office hours, I prefer an open door policy. If you need to see me at some time outside of my office hours, please stop by my office. If I am not with someone else, I will gladly see you.
- ❖ There is a tremendous amount of material in the course outline, it may not be possible to get through it all, but we will try.
- ❖ Enjoy! After all, economics really is interesting.

TIPS FOR SUCCESS IN THIS COURSE

How to Read the Text Book

I know this seems like a strange thing to say, after all you have a high school diploma and so you know how to read. However, there is a difference between seeing the words and actually reading the book so that you understand it. The problem is that a text book for courses such as this are remarkably dry reading. Each of you can probably sit down with a novel (if it is a good one) and *plow* through it in one night. Unfortunately, a text book does not tell a story in a nice linear time fashion and it certainly is not gripping reading. If you sit down and try to read an economics text as you would a novel, you will probably be asleep in a matter of minutes. The trick is to give a purpose to the reading.

The suggestions that I am about to give you are a variant on the SQ3R method that you may have encountered in study strategy courses. This is a method that worked well for me (as a student) and for my students in the past. Read the introduction to the chapter carefully and stop for a moment. Try to relate what is said in the introduction to your own experiences and observations. This way, you can relate to the material and give it more meaning. Next, skim through the chapter and see how it is laid out (in what order are ideas presented). This is a crucial part; look at the questions at the end of the chapter and spend a few minutes thinking about them. What this does is give you something to watch for when you are actually reading the book. Now, read the chapter carefully (you may want to keep a list of questions beside you to refer back to when you come to an important piece of information.)

Once you have read the assigned material, answer the questions at the end of the chapter. If there is anything that is unclear, go back and re-read it. Also be sure to make a note of ideas and concepts that are still troubling. You can refer back to this list before class so that you know what to watch for during the lecture. Lastly, if after the lecture there are still troubling concepts, **ASK QUESTIONS!**

Instructions for Doing Economics Assignments

The reason for assignments is twofold: First, they enable you to show a level of competence in the subject. Second, (and most importantly) they enable you to apply and practice the material that you have learned in the course.

GENERAL SUGGESTIONS

1. Your answers must be both correct in terms of the economic theory and in grammatical structure. One of the goals of a post-secondary education is to develop suitable writing skills so that you can present ideas coherently.
2. Read and think about the assignment when it comes out. The plan is that assignments will be handed out before the material on them has been covered in class. If you read the assignment ahead of time, it will give you something to watch for in class and will hopefully give the lectures more focus.
3. You can think of your assignments as *mini essays* and as such style and format count. You should consult a style guide such as the one you use in your English course. This guide will show you how to manage punctuation, footnoting, etcetera.
4. The material that you will need to do the assignments will be found in your lecture notes, in the textbook, and in any assigned readings that I have put on reserve in the library. Also, the study guide that accompanies the text book is an excellent source of ideas for solving your assignment problems.

REQUIREMENTS

1. Unless otherwise indicated, assignments are due by 4:30 PM on the specified due date.
2. Extensions are rarely given. If you think you deserve an extension, then you must see me before the assignment is due. *Heavy workload and poor time management are seldom adequate justification for extensions*
3. Assignments must be legible: If I can't read it, I can't mark it as correct. This does not mean that you need to use a word processor. However, if you are comfortable and proficient with computers you may want to use one since it easily allows you to make changes to your assignment. I would not recommend that you try to use a word processor for the numerical portion of your assignments since equation editors are usually time consuming.
4. Spelling, punctuation, and other elements of good writing count. An answer that is correct from an economics standpoint but is poorly stated will not qualify for full marks.
5. Be concise: Verbosity is not an acceptable substitute for a thorough understanding of the material and a clear answer. Often people try to hide the fact that they do not have a good understanding of the material by using the "kitchen sink" approach. Do not use this approach! It tests the marker's patience (mine) and shows that you do not know the material. All questions that have a written component will have a specified length limit, do not exceed this. Anything beyond this length will not be marked.
6. When asked to explain something do not simply quote verbatim from the textbook. You have to show that you understand the material and this requires that you put things in your own words. Some quotations from the textbook are allowable but you must properly cite them and interpret them.
7. For numerical questions show your work. The method that you use to calculate an answer is as important as the actual answer itself. A correct answer with no method of calculation shown will only receive part marks. Also, I can give you part marks even if you come up with the wrong number in the final answer.
8. Numerical answers MUST also include the appropriate units. An answer stating that demand is X is not very informative. Is this X units per day, or X units per year, etcetera? The units and their scale are vitally important.
9. Draw graphs large enough that they can be read and understood. For graphs you MUST use graph paper. Also, whenever possible use different colours so that the graph is more easily read. Answer each question with a separate graph unless told to do otherwise.
10. Write only on one side of the paper. Answer questions in a single column going down the page: Do not try to fit more than one column on one page. Also, leave room in the margins and between questions for me to write comments.
11. Use standard sized paper. Do not use paper torn out of a spiral bound note book or binder, this stuff can be hard for the marker to work with and it looks messy and unprofessional.
12. Write your name, student number, and course section on the top right-hand corner of the first page. Don't bother with title pages: We will have cut down enough trees by the end of the course as it is.
13. Staple your assignment together, I will make sure I bring a stapler to class on the day that assignments are due in case you do not have one. Do not use vinyl covers, duotang folders, binders, or other forms of report covers for your assignments. These take up extra space in my briefcase, are awkward to work with, and are an unnecessary expense for you. Under no circumstances should you try to keep your assignment together by folding or crimping a corner. Doing so is at your own risk...I will not be responsible for lost pages.
14. When you get your assignment back, look over the results and my comments. The comments will include both instructions for the next assignment and things that will hopefully clarify something that you have done wrong. If there is something that you still don't understand, then come and see me.
15. Lastly, before you hand in your assignment (hopefully a day or so before) proof-read it! This will allow you to catch any simple mistakes.