

University of Colorado  
Department of Economics  
Fall 2015  
Microeconomic Principles 2010-100, TTh 11:00-12:15 pm, CHEM 140  
Phil Graves  
Content:

Microeconomic principles 2010 introduces you to the “economic way of thinking.” The central fact that underlies economics is the fact of “scarcity.” By this it is meant that our wants exceed the goods freely available from nature--hence choices must be made among the many things we want. This leads to the fundamental economic questions, narrowly defined, which face all societies: What to produce? How to produce? and For Whom to produce? But economics is really much broader in scope than this; it is really the study of wise decision-making in all areas of life. To draw a biological analogy: The “ecosystem” of microeconomics is competitive equilibrium, with supply and demand determining prices and quantities exchanged in each of a plethora of individual markets (interacting “forests”). The “trees” that make up each forest are the individual economic agents (households and firms, but other collections of people as well) whose “optimizing” behavior we shall study extensively. All sound decisions –

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NOTE: 1) The final exam date is: Monday December 14, 2015 at the end of the syllabus...there are no makeups...do not request a grade recently instituted more stringent grading requirements. A grade will only be given in situations in which a student is unable to attend. It will be discussed with me immediately, or an F will be assigned. A grade may be changed according to University policy.

2) Students with disabilities who qualify for academic accommodations should discuss their needs with me, preferably during the first two weeks of class (SAC 322, www.colorado.edu/sacs/disabilityservices). Policies regarding academic behavior policies, and the like) can be viewed at: http://www.colorado.edu/sacs. Contact me or to our very competent and helpful advisors in the SAC.

3) Campus policy regarding religious observances requires that students, if they have religious obligations, have conflicts with scheduled class time, since I do not take attendance in any event. Show that date will be eliminated from consideration. See faculty handbook for more information.

4) Students and faculty each have responsibility for maintaining a respectful classroom. Standards may be subject to discipline. Faculty have the responsibility to guide classroom discussion and to set reasonable limits. Cultural sensitivity are especially important with respect to inclusion, gender variance, and nationalities. Class rosters may be updated to address you by an alternate name or gender pronoun. See faculty handbook for more information. See policies at: www.colorado.edu/sacs

Grading:

I have an unusual and complicated (but extremely fair) grading system. In the choice exam enough points are added to everyone's base

tion is typically worth 4 points on a midterm of 25 questions. So, for example, if the median for a particular exam is 68 (the average person misses 8 four-point questions), 7 points will be added to each person's exam (the equivalent of 1.75 questions). Hence, doing well on a difficult exam, say getting a 96 (missing one question) when the median was 68 (missing 8 questions) enables you to get over 100 points, in this example receiving a 103. Should the median for an exam be above 75, I do not subtract (such an outcome indicates either that you are part of an unusually smart or studious class or--more likely?--that I made the test too easy, hence it is my problem). After these adjustment points are added, I will calculate your course test grades as the largest number arising from the following alternative calculated scores:

“Score 1”:  $.25(\text{1st Mid Grade}) + .25(\text{2nd Mid Grade}) + .3(\text{Final Grade}) + .2(\text{Recitation Grade})$

“Score 2”:  $.3(\text{2nd Mid Grade}) + .5(\text{Final Grade}) + .2(\text{Recitation Grade})$

“Score 3”:  $.3(\text{1st Mid Grade}) + .5(\text{Final Grade}) + .2(\text{Recitation Grade})$

Hence, if you “mess up” (or miss) either of the midterm exams (but not both), that test will automatically be dropped; the comprehensive final is weighted more heavily in this case. There will be no early exams or make-up exams, since they are difficult to make comparable and this system does not penalize you for missing one exam in any event. Should you miss an exam, come to my office (or acquire a copy from your TA) to get a copy of it and take it under “test conditions,” later comparing your answers with those posted on the web (you will know in this way how you would have done, aiding in your study for the final). I will post the answers to midterm exams promptly after giving them; you will retain each of the midterm test booklets hence can immediately know how well you did (this assumes that your bubbled in scantron is consistent with your circled answers on the test booklet!). Bring a #2 pencil with you to exams!

The University of Colorado does not allow me to award even the best of you with an “A+,” hence there is (unfortunately) little incentive to really learn the material of any course, in particular this one. To overcome this difficulty--since I believe in creating an incentive to excel--I let anyone with an adjusted 98 or higher average on the two midterms out of the final! [Note: even if you personally do not get out of the final, you should cheer for those that do, since the median will be lower on the final, causing more points to get added to everyone's score on this important test!]. I do require that those getting out of the final continue coming to class for the remainder of the semester. NOTE: the first midterm is nearly half-way through the course and second midterm comes very late in the course (usually the week before the last week of classes); this is to be sure that those getting out of the final are tested over most of the material. The approximate test dates--we will vote on the specific date, hoping to get a “socially optimal” test date--are indicated in the brief course topic description below.

