

# Principles of Economics

Spring 2013

## Instructor Information

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Office Hours: Fridays 1pm – 3pm and by appointment

## Course Information

Code: Econ 199

Location: Science Center 402

Hours: Tuesdays and Thursdays 8:00-9:50

Economics is first and foremost a way of thinking. The purpose of this course is to make you think about the world around you from a new perspective. So, if in half a year you notice that you watch the news differently than you did before, it will mean that the course has been successful. Throughout the semester you will be presented with an overview of the modern market economy as a system generated by scarcity. You will be required to engage in a close examination of economic decision-making and market interactions. As you will experience, the economic way of thinking can be applied to any aspect of life, from stock markets to sports to marriage and everything in between. By the end of the semester you will be expected to master the ability to think like an economist.

## Required Textbooks

*Economics: Private and Public Choice* by Gwartney, Stroup, Sobel, Macpherson

*Basic Economics* by Thomas Sowell

## Grading Policy

There is no pre-set grade distribution for this class. Note, however, that Section IX of the Beloit College Academic Policy Manual (APM) clearly discusses the definitions of specific grades. According to the APM:

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**Grade is awarded for credit earned in a manner that demonstrates:**

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- A Unusual ability and distinctive achievement.
  - B Articulate, above-average performance.
  - C Satisfactory performance.
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I note this language for two reasons. First, I wish to highlight that a C is not a failing grade. It is, by definition, satisfactory performance and grades of C should be viewed in that light. Several of you might find yourselves in the C range. This grade merely reflects that while your work is satisfactory, there remains room for improvement. Second, it is important to note that A's are awarded for exceptional performance.

Your final grade will constitute of the following:

Item	Occurrences and Points	Total Points
On-line Quizzes	10 x 1 point	10 points
Tests	4 x 15 points	60 points
Op-Ed	1 x 10 points	10 points
Discussion Leadership	1 x 10 points	10 points
Discussion Participation	1 x 10 points	10 points
		<b>Total: 100 points</b>

Grade scale:

		B+	87 - 89	C+	77 - 79	D+	67-69
A	94+	B	84 - 86	C	74-76	D	60-66
A-	90-93	B-	80 - 83	C-	70-73	F	0-59

## On-line Quizzes

Every week you will be asked to complete a multiple-choice quiz on Moodle. The quizzes are a form of a review; they are relatively straightforward and meant to keep you on schedule and help you study systematically. The quizzes are set in an adaptive mode: you will have multiple attempts at each question. However, keep in mind, that there will be a small penalty for each mistake. Each quiz is due on Sunday evening.

It is easy to forget about the quizzes, so remember to set-up multiple reminders. I am unable to extend the quiz deadline for individual students so please note that there will be no make-up quizzes. Nevertheless, I will drop your lowest score. So if you missed one of the quizzes, you do not need to email me asking what to do. I will just consider the missed quiz to be your lowest score and I will ignore it in calculating your final grade.

## Tests

There will be four tests, each worth fifteen points towards your final grade. Each test will contain a combination of mathematical problems and short essay questions. Before each test, I will provide you with a study guide containing a set of practice problems. If you master the study guide problems, you will have no problem solving the problems on the test.

Dates of each test are listed in the schedule of class events. If you find yourself in need of rescheduling, keep in mind the following constraints:

- Should you have a time conflict, you need to speak with me at least a week ahead of time so that we can arrange an alternative time for you to take the test.
- Should you be unable to attend the test due to sickness, you need to send me an email at least two hours before the test in which you provide an alternative time at which you would like to take the exam.
- Should you miss the test without notifying me ahead of time, there will be no make-up opportunity and you will receive a score of zero.

You will be allowed an entire class period of 50 minutes to complete each test.

## Op-Ed

For this assignment, your job is to write an op-ed on a public policy issue. The topic is entirely up to you. Your grade will be determined by your ability to analyze the material from the economic perspective as well as by the quality of your writing, including spelling, grammar, and style. You will first submit a draft version to which I will respond with comments. You are then free to incorporate my comments and submit the op-ed to a newspaper of your choice if you would like to do so (the Roundtable would be a good place). If you submit your op-ed and your op-ed gets run in a newspaper you will receive five points of extra credit towards your final grade.

Late submissions will be penalized by a twenty percent grade decrease for each day of lateness. I expect all students to strictly follow the academic honesty policy, which can be consulted online. Every case of academic dishonesty will result in a score of zero points and will be reported to the dean of students.

## Discussion Leadership

Each student will be asked to lead a discussion based on one of the assigned readings. The readings for discussion can be found on the schedule of class events. Once you pick a chapter, prepare a five- to ten-minute long summary and three questions for your classmates. Upon delivering your presentation, you will lead a twenty-minute long class discussion.

## Participation in Student-led Discussions

Participation in the discussions is a vital element of the learning process. I will expect you to be always prepared and engaged, especially when your peers are presenting. To incentivize you appropriately, I will grade your participation in student-led discussions. The specific grading criteria are listed in the table below. Please note that three points is equivalent to getting full participation points, four points means you have obtained extra credit.

Grade	Criteria
4	<p><b>Equivalent to A+ (110 percent)</b></p> <ul style="list-style-type: none"> <li>• Demonstrates excellent preparation: has analyzed material exceptionally well.</li> <li>• Contributes in a very significant way to ongoing discussion: keeps analysis focused, responds very thoughtfully to other students' comments, contributes to cooperative argument-building, suggests alternative ways of approaching material and helps class analyze which approaches are appropriate, etc.</li> <li>• Demonstrates ongoing and very active involvement.</li> </ul>
3	<p><b>Equivalent to A (100 percent)</b></p> <ul style="list-style-type: none"> <li>• Demonstrates good preparation: knows reading facts well, has thought through the implications of them.</li> <li>• Offers interpretations and analysis of material (more than just facts) to the class.</li> <li>• Contributes well to discussions in an ongoing way: responds to other students' points, thinks through own points, questions others in a constructive way, offers and supports suggestions.</li> <li>• Demonstrates consistent ongoing involvement.</li> </ul>
2	<p><b>Equivalent to B (85 percent)</b></p> <ul style="list-style-type: none"> <li>• Demonstrates adequate preparation: knows basic reading facts, but does not show evidence of trying to interpret or analyze them.</li> <li>• Offers straightforward information (e.g., straight from the case or reading), without elaboration or very infrequently (perhaps once a class).</li> </ul>
1	<p><b>Equivalent to C (75 percent)</b></p> <ul style="list-style-type: none"> <li>• Present, not disruptive.</li> <li>• Tries to respond when called on but the offered answer is incomplete.</li> <li>• Demonstrates very infrequent involvement in discussion.</li> </ul>
0	<p><b>Equivalent to F (0 percent)</b></p> <ul style="list-style-type: none"> <li>• Absent either physically or mentally.</li> </ul>

## Scheduled Lectures and Events

Week	Date	Topic	Readings <sup>1,2</sup>	Discussions
1	01/15	Introduction		
	01/17	The Economic Approach	Gwartney ch.1	Sowell ch.1
2	01/22	Some Tools of the Economist	Gwartney ch.2	Sowell ch.2
	01/24	The Use of Graphs in Economics	-	-
3	01/29	Supply and Demand	Gwartney ch.3	Sowell ch.3
	01/31	Supply and Demand: Applications	Gwartney ch.4	Sowell ch.4
4	02/05	Difficult Cases for the Market	Gwartney ch.5	Special Topic 7
	02/07	Collective Decision-Making	Gwartney ch.6	Special Topic 8
5	02/12	<b>Test 1</b> (ch.1-6) and Video Discussion		
	02/14	Consumer Choice and Elasticity	Gwartney ch.20	Sowell ch.5
6	02/19	Costs and the Supply of Goods	Gwartney ch.21	Sowell ch.6
	02/21	Price Takers	Gwartney ch.22	Sowell ch.7
7	02/26	Price-Searcher Markets	Gwartney ch.23, 24	Sowell ch.8
	02/28	<b>Test 2</b> (ch.20-22) Video Discussion		
8	03/05	<i>No Class: Mid-Term Break</i>		
	03/07	<i>No Class: Mid-Term Break</i>		
9	03/12	Input Markets	Gwartney ch.25	Sowell ch.9,10
	03/14	Earning and Productivity	Gwartney ch.26	Special Topics 9,10
10	03/19	Investment and the Capital Market	Gwartney ch.27	Special Topic 3
	03/21	Income Inequality and Poverty	Gwartney ch.28	Sowell ch.23,24
11	03/26	<b>Test 3</b> (ch.25-28) and Video Discussion		
	03/28	Nation's Economic Pulse	Gwartney ch.7	Special Topic 1
12	04/02	Economic Fluctuations	Gwartney ch.8	Special Topic 2
	04/04	Fiscal Policy	Gwartney ch.12	Special Topic 5
13	04/09	Monetary Policy	Gwartney ch.13	Special Topic 6
	04/11	<i>No Class: Student Symposium</i>		
14	04/16	<i>No Class: Conference Travel</i>		
	04/18	Economic Growth	Gwartney ch.16	Special Topic 11
15	04/23	Institutions and Growth	Gwartney ch.17	Special Topic 12
	04/25	Gaining from International Trade	Gwartney ch.18	Sowell ch.20, 22
	04/30	<b>Test 4</b> (ch. 7-8, 12-13, 16-18)		

<sup>1</sup> Occasionally, I will provide additional reading materials on Moodle.

## **Disability Statement**

If you have a disability and need accommodations, contact the Learning Enrichment and Disability Services Office located on 2nd floor Pearsons (north side) or call x: 2572 or email [learning@beloit.edu](mailto:learning@beloit.edu). For accommodations in my class you must bring me an Accommodation Verification Letter from the Director of that office which will indicate appropriate accommodations. Contact that office promptly; accommodations are not retroactive.

## **Tutoring**

Free peer tutoring is available for most classes. To access a tutor, apply at the Learning Enrichment and Disability Services Office located on 2nd floor Pearsons (north side) during their office hours (8 a.m. - 4:30 p.m., Monday - Friday).

## **Teaching Assistants**

Zhilong Ge is the teaching assistant for this course. He will be available to answer your questions on Mondays, Tuesdays and Thursdays from 7p.m. to 10p.m. in the Kemper Lab (Campbell Hall 102).

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<sup>2</sup> All assigned material should be read ahead of class.