

FE'01

TEXT: Economics Today: The Micro View, 2001-2002 ed, Roger LeRoy Miller

SUPPLEMENTARY READINGS: TANSTAAFL: The Economic Strategy for Environmental Crisis, Edwin G. Dolan; Entropy: Into the Greenhouse World, Rifkin & Howard (excerpts); The Case Against the Global Economy & for a Turn Toward the Local, edited by Jerry Mander & Edward Goldsmith (selected articles); New Economy & the Misjudged Global Warming, Robert Res, Sep/October 2001
(Supplementary "context" readings supplied by lecturer)

FOCUS OF COURSE: Analysis and criticism of the functioning of a market-oriented economy with emphasis on the U.S. and its role in the fast-evolving and lately volatile global economy; exploration of theory of how a market-oriented economy allocates/misallocates scarce resources among alternative uses; basics of demand/supply/equilibrium price; alternative/opportunity cost concept; public sector & cost/benefit analysis; privatization; cost structure of business; arms and relationship to production function; profit maximization in various cost/revenue environments: perfect competition, monopoly, oligopoly, imperfect competition; basic exploration of ecological connections between human's circular flow of economic activity and nature's cyclical patterns; basics of input market relationships; wealth and income inequalities; theory of comparative advantage, free trade, and criticism of "globalism" as currently practiced.

MAJOR ASSIGNMENTS;

1. Students will read/study assigned chapters of Miller text in preparation for a comprehensive take home exam testing understanding of fundamental micro-economic principles/theories/ideas such as those cited in FOCUS section above. Students will be expected to become basically "graph-literate" by demonstrating the ability to read, analyze, and construct graphic displays of various micro-economic scenarios. Students will prepare for the final exam by drawing graphs and doing "dry-run" type exercises in class. For best results students must attend class regularly, take good notes, bring graphing materials to class, and actively participate in classroom activities. In addition, students should consult attached syllabus and try to read textbook material before it is discussed in class.

2. For supplementary readings listed above the student will read and turn in written feedback assignments consisting of substantive questions that specific parts of the reading trigger in your mind as you read it. Students will write out the questions for each reading (the # of questions = point value as indicated in the GRADING section below) and indicate specifically the page and paragraph in the reading that triggered the question. Avoid definitional & vocabulary questions that can easily be looked up. Secondly, the student will find ten economic/business vocabulary words in each reading and state page and paragraph where located and write out definitions using the glossary section of the Miller text. Thirdly, the student will select a significant paragraph from the reading, identify location and write it out. Fourth, the student will write a two-page minimum response paper in which you indicate the main ideas "in your own words". Response paper must cover all of what was read and not just significant paragraph section or a small portion of total assigned reading.

3. During the semester the student will search the world of newspapers, magazines, periodicals, computer networks, etc. that contain articles on contemporary economic issues. The student will select 5 MICRO-oriented items outlined within the time-frame of this class and report in writing on the connections between the chosen material and the economic models, concepts, ideas considered during the class. The student will write at least 2 page each article summarizing the main points and specific relevance to MICRO.

The student will identify 5 economics/business related terms from each article and define their meaning using the Miller glossary.

COURSE OBJECTIVES: This course will introduce students to economic principles and analysis that deal with how prices allocate scarce resources among alternative uses. Specifically, we will study:

- 1. The interaction of supply and demand to determine market prices and the effects of interference with the price system.
- 2. The theory of production and costs of production.
- 3. The pricing and output decisions carried out by firms operating under various market conditions such as perfect competition, imperfect competition, and monopoly.
- 4. The theory and pricing of labor; collective bargaining; and distribution of income.
- 5. The theory of international trade
- 6. Analysis of when we can rely on "free" markets to allocate resources efficiently and when we cannot do so.

GRADING:

Feedback assignment #1 TANSTAAFL.....	15	points	due	10-19
Feed #2 ENTROPY: INTO GREENHOUSE	20	pts.....		due	11-02
Feed #3 CASE AGAINST GLOBAL ECON.....	10	pts		due	11-09
Feed #4 ECONOMISTS MISJUDGE GLOBAL	15	pts.....		due	11-2
Feed #5 NEWS ARTICLES EXERCISE	10	pts		due	12-07
Feed #6 TAKE HOME EXAM	30	pts		due	12-07

The expectations of Chaminade University and this lecturer are that students should attend class regularly, arrive on time, actively take notes, ask questions, listen attentively, not take excessively long breaks, not leave early, and turn in assignments on time. Late feedback assignments will be graded somewhat more rigorously but will be accepted up to 11/23 when final exam will be released. The final exam and news articles must be turned in by 12/07-__()I-, the last day of class. If you are going to be absent and know about it ahead of time please let me know in person. If you are going to be absent and you don't know ahead of time you may call me at 625-9994 and leave a message. Absences and partially attended classes will cost you up to 2 points per occurrence depending on circumstances. In no case is it acceptable to miss more than 2 classes total during the semester. In addition, attendance and classroom behavior will influence grading when final points are near the cusp between grade levels--good attendance will tend to move the grade up and bad attendance will move the grade down or not move it at all.

A=93+ B=85-92 C=77-84 D=65-76 F=64 and below

Introductory remarks/ Course Outline

Scarcity concept/Virtually unlimited human needs/wants bumping .
up against limited resource base

Human element/Brief overview of motivation theories--Maslow's
hierarchy of needs; Fromm's existential needs theory; MacLean's
triune brain theory; Gardner's multiple-intelligence theory
Scarcity/Alternative Approaches/

Ref: Class handouts; Miller Chs. 1 & 2.

Production function and Law of Diminishing Returns/Inverse rela-
tionship between production curves and cost curves/Graphing these
relationships (Please bring graph paper to class!)
Production Possibilities/Alternative Cost Concept pp 32-38
Ref. Miller, ch 22, pages 536-547

1st Feedback Due TANSTAAFL Due 10-19

Circular Flow of Economic Activity/Micro perspective/Basics of
Consumer Choice/Market System/ Demand & ceteris paribus factors

Ref. Miller, chs 3,4, 19

Supply and ceteris paribus factors/Equilibrium Price/Price
Elasticities of Demand/Supply/Implications for public policy/
Price Ceilings/Price Floors/Public Sector/Economies in Transition

Ref. Miller chs 3, 4, 5, 6, 20.

2nd Feedback Due ENTROPY: GREENHOUSE Due 10-20

Business Firms--Organization/Globalization; The Family of
Costs of Production; World of Perfect Competition; Profit
Maximization at the Margin--Short Run/Long Run Perspectives

Ref. Miller chs 21, 22, 23

Monopoly/Graphing relationships/regulation strategies

Ref. Miller, ch 24

3rd Feedback Due GLOBAL ECONOMY CRITIQUE Due 11-40

Imperfect Competition: Oligopoly and Monopolistic Competition/
Regulation/Anti-trust policies/Resource Demand/Supply/Profit
Maximization principle in input markets

Ref. Miller chs. 25,26, 27, 28

4th Feedback Due ECONOMISTS IM JUDGE Due 11-3.

Final Exam **released--Due** by 12-07

Comparative Advantage and Open Economy/Income, Poverty,
Health Care

Ref. Miller, Chs. 33 & 31

F 11-23

F 11-30

Environmental Economics

Miller, Chap. 3.1.

F 12-07

Take home final due including news articles

Possible videos for this class as time and circumstances permit:

"Jobs: Not What They Used To Be" (1996)

"3rd Wave" (1984)

"Living On Islands" (1997)

Affluenza (1997)

"**Life By** The Numbers" (Information Economy) (1998)

"Internet Economy" (1999)