

Res Ec 202 – Price Theory
Fall 2019

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Course Time: MoWe 2:30-3:45PM
Location: Holdsworth Hall 203
Lab: We 11:15-12:05
or We 1:25-2:15pm
Location: Holdsworth Hall 202
Office hours: We 9-10am¹

Course Web Page through MOODLE

Course Purpose and Objectives

The purpose of this course is to present intermediate level microeconomic theory. Primarily we will focus on consumer demand theory and the economics of production. Both geometric and mathematical approaches will be presented. This course provides the background necessary for more advanced courses in the department. When students complete this course they will be expected to be able to derive a demand curve from an underlying indifference set, derive a supply function from an underlying cost function, and determine equilibrium price and quantity under assumptions of perfect competition, monopoly and oligopoly.

Textbooks and other Required Material

- 1/. The Primary textbook for this course is Perloff's *Microeconomics* 8th edition
- 2/. We will also use the *iClicker2*. This is a radio frequency (RF) personal response system that you will use in class to respond to questions.

Additional Material

Quizzes will be conducted through the OWL system that you will be able to access through Moodle.

There is a good open source textbook available on the web: Introduction to Economic Analysis by Preston McAfee: <http://www.introecon.com/> . The reason we do not use this as the textbook for the course is that the level of mathematics required by this book is much higher than I would reasonable expect you to be able to handle. Nevertheless, you may find it helpful to look through each of the topics in it as we go.

I also recommend the book: *Economics is Everywhere* by Daniel Hamermesh. This will be a particularly valuable resource for your presentation.

¹ This is the time that I reserve for you to come and see me. It is NOT the only time you can come and see me. If you would like an appointment send me an email with three or four times that work for you and I will pick one that works for me. Office hours are not mandatory, BUT, if there is something that doesn't make sense to you it is easy for me to explain it to you one on one or even in a small group.

There are also some other resources that you might find useful:

- The Wall Street Journal: <http://www.wsj.com/>
- The New York Times: <http://www.nytimes.com/>
- NPR: <http://www.npr.org/sections/news>
- The Economist: <http://www.economist.com/>
- NPR's Planet Money: <http://www.npr.org/sections/money/>
- Freakonomics: <http://freakonomics.com/>

Grading

Your final grade in the course will be based on assignments for each of the chapters (I will drop the lowest one and the remaining will account for 25% of your mark), three midterm exams (which will account for 60% of your mark), and a Presentation 15%. There will be an optional final exam that can take the place of the 60% weight for your midterms. Below is a breakdown of how your grade will be determined:

	Percentage	When
Assignments for Each Chapter	25%	The lecture after we complete each chapter.
Presentation	15%	You will be required to either do a five minute presentation in the Wednesday lab or prepare a short youtube video applying something we have discussed in class to the real world.
Midterms	60%	There will be 3—Wednesday October 9 ^h and Wednesday November 6 th and Wednesday December 11 th in class.
Final Exam (optional)	Up to 60% (replacing Midterms)	TBA

Minimum grade cutoffs

	F	D	D+	C-	C	C+	B-	B	B+	A-	A
Course grade	<60	60	63	67	70	73	77	80	83	87	93
Grade points	-	1	1.3	1.7	2	2.3	2.7	3	3.3	3.7	4

Continuous Learning

Please notice that we will use iClickers to identify problematic topics. I believe that there is value to attending class and have seen many students who have not attended class do very poorly. Nevertheless, it is your choice as to whether or not to attend class.

iClicker2

- The iClicker2 is an in-class communication system. It uses radio frequency to allow students to send answers in response to questions that I will pose during class. It will allow me to find out how the class grasps the material as a group and generate classroom discussions. It will allow you to check and improve your understanding of the concepts during class.

Labs

There is a Wednesday lab for this class. This time will be to work through the mathematics that you require for the rest of the course. The material that is covered in the labs will be included on the assignments and midterms.

Project

You will be assigned into a group of 3 to work on a project. This is a short project that will involve a five-minute presentation in class or one of the Wednesday Labs during the last two weeks of class. I would like you to use the tools that we are using in class to address a real world issue. I will provide an example closer to the time but the textbook: *Economics is Everywhere* by Hammermesh is a good place to start looking for idea.

MOODLE

Students can access Moodle in a variety of ways:

- Directly through <http://moodle.umass.edu>
- From SPIRE by clicking the LMS link associated with your course
- From the OIT site at <http://www.oit.umass.edu>

Once logged-in to Moodle, students can click on **Navigation > My Home** to see just the courses in which they are enrolled. If a course has not yet been released to students, it will not appear in this list. For more information about student access to Moodle see:

<http://www.oit.umass.edu/support/moodle/student-access-moodle-courses>

Civility inside the Classroom

Students are expected to assist in maintaining a classroom environment that is conducive to learning. In order to assure that all students have the opportunity to gain from time spent in class, I propose certain basic standards of classroom respect be adhered to. Respect does not eliminate appropriate humor, enjoyment, or other indications of a comfortable and pleasant classroom community. However, there is an expectation that all participants in this course will:

- Display respect for all members of the classroom community: your instructor, TAs and fellow students.
- Attend and participate in lectures, group discussions, and other classroom activities.
- Avoid unnecessary disruptions during class such as private conversations, reading newspapers, speaking on cell phones, using a laptop for something other than current classroom work, arriving late or leaving early, eating, drinking, and sleeping during class.
- *Please wait for the class to be formally dismissed before you start to pack up your things or get up to leave.*
- Avoid negative language that is considered racist, sexist, or homophobic or in other ways may exclude members of our campus and classroom community.

Accommodation Statement

The University of Massachusetts Amherst is committed to providing an equal educational opportunity for all students. If you have a documented physical, psychological, or learning disability on file with Disability Services (DS), you may be eligible for reasonable academic accommodations to help you succeed in this course. If you have a documented disability that requires an accommodation, please notify me within the first two weeks of the semester so that we may make appropriate arrangements.

Academic Honesty Statement

Since the integrity of the academic enterprise of any institution of higher education requires honesty in scholarship and research, academic honesty is required of all students at the University of Massachusetts Amherst. Academic dishonesty is prohibited in all programs of the University. Academic dishonesty includes but is not limited to: cheating, fabrication, plagiarism, and facilitating dishonesty. Appropriate sanctions may be imposed on any student who has committed an act of academic dishonesty. Instructors should take reasonable steps to address academic misconduct. Any person who has reason to believe that a student has committed academic dishonesty should bring such information to the attention of the appropriate course instructor as soon as possible. Instances of academic dishonesty not related to a specific course should be brought to the attention of the appropriate department Head or Chair. Since students are expected to be familiar with this policy and the commonly accepted standards of academic integrity, ignorance of such standards is not normally sufficient evidence of lack of intent (http://www.umass.edu/dean_students/codeofconduct/acadhonesty/).

Course Outline – This Calendar is preliminary and is subject to change as we progress through the course. Assignments will be due at the start of the class after we finish the topic and what follows is just meant as an outline.

Week	Topics	Chapters	Notes
1 – Sept 4	Preliminaries Market	Chapter 1	
2 – Sept 9,11	Supply and Demand Graphing Systems of Equation	Chapter 2, 3 Math Labs 1 & 2	OWL: Quiz 1 Chapter 1: Introduction due 9/13 4pm
3 – Sept 16,18	A Consumer’s Constrained Choice Differentiation	Chapter 4	OWL: Quiz 2 Chapters 2 and 3: Demand and Supply due 9/20 4pm
4 – Sept 23,25	Applying Consumer Theory Optimization,	Chapter 5 Math Lab 4	OWL Quiz 3 Chapter 4 The Consumer’s Constrained Choice 9/27 4pm
5 – Sept 30, Oct 2			OWL Quiz 4 Chapter 5 Applying Consumer Theory due 10/4 4pm
6 -- Oct 7, 9	MIDTERM 1 Wednesday October 9th	Midterm covers Chapters 1, 2, 3, 4 and 5	Tuesday follows Monday Class Schedule
7 – Oct 15,16	Firms and Production	Chapter 6	NOTE CLASS TUESDAY WEDNESDAY THIS WEEK!
8 – Oct 21.23	Cost	Chapter 7	OWL Quiz 5 Chapter 6 Firms and Production due 10/25 4pm
9 – Oct 28, 30	Competitive Firms and Markets	Chapter 8	OWL Quiz 6 Chapter 7 Cost due 11/1 4pm
10 – Nov 4,6	MIDTERM 2 Wednesday November 6th	Midterm 2 covers Chapters 6, 7 & 8	OWL Quiz 7 Chapter 8 Competitive Firms and Markets due 11/8 4pm
11 – Nov 13	Applying the Competitive	Chapter 9	No Class Monday, No Tutorials

	Model		on Wednesday Class cancelled as Nov 13 follows Monday Schedule
12 – Nov 18,20	Monopoly, and Pricing and Advertising	Chapter 11 & 12	OWL Quiz 8 Chapter 9 Applying the Competitive Model due 11/29 4pm
13 – Nov 25,27	THANKSGIVING		
14 – Dec 2,4	PRESENTATIONS		OWL Quiz 9 Chapter 11 Monopoly due 12/6 4pm
Dec 9,11	MIDTERM 3 Wednesday December 11th		OWL Quiz 10 Chapter 12 Pricing and Advertising due 12/11 4pm
TBA	FINAL EXAM		TBA

*All Dates are subject to change.