Please attach/submit additional documents as needed to fully complete each section of the form.

I. COURSE INFORMATION

Department: Economics
Course Title: Principles of Microeconomics
Course Number: 201

Type of Request: New One-time Only Renew*
Rationale:

*If course has not changed since the last review and is taught by the same tenure-track faculty member, you may skip sections III-V.

JUSTIFICATION FOR COURSE LEVEL
Normally, general education courses will not carry pre-requisites, will carry at least 3 credits, and will be numbered at the 100-200 level. If the course has more than one pre-requisite, carries fewer than three credits, or is upper division (numbered at the 300 level or above), provide rationale for exception(s).

II. ENDORSEMENT / APPROVALS

* Instructor: Jeff Bookwalter
   Phone / Email: x4667, jeff.bookwalter@msu.montana.edu
Program Chair: Jeff Bookwalter
Dean:

Signature Date 9/30/16
Signature Date 9/30/16
Signature Date 10/3/16

*Form must be completed by the instructor who will be teaching the course. If the instructor of the course changes before the next review, the new instructor must be provided with a copy of the form prior to teaching the course.

III. DESCRIPTION AND PURPOSE
General Education courses must be introductory and foundational within the offering department or within the General Education Group. They must emphasize breadth, context, and connectedness; and relate course content to students’ future lives: See Preamble
VI. ASSESSMENT

A. HOW ARE THE LEARNING GOALS FOR THE GENERAL EDUCATION GROUP MEASURED?
Describe how you will determine that students have met each of the General Education Learning Goals. This should include specific examples of assignments, rubrics or test questions that directly measure the General Education learning goals. (See Example)
Please attach or provide a web link to relevant assessment materials.

ECNS 210 is a lecture style course that typically draws between 100 and 200 students. I use 5 exams as one tool to assess what students are learning. The exams total 75 percent of the course grade.

Some examples on how these exams assess the learning goals:

1. Describe the nature, structure, and historical development of human behavior, organizations, social phenomena, and/or relationships.
   a. students are asked to explain how people respond to incentives provided by governments, society, and markets.
   b. students are asked to evaluate market outcomes in terms of equity and efficiency.

2. Use theory in explaining these individual, group, or social phenomena.
   a. students are asked to apply a theoretical framework to a new situation.
   b. Students are asked to evaluate whether a particular theoretical tool or model is appropriate for a particular situation.

3. Understand, assess, and evaluate how conclusions and generalizations are justified based on data.
   a. Students are asked to use economic data to evaluate the health labor markets
   b. Students are asked to evaluate the use of economic data in the media.

I use an online homework management system (e.g. Aplia, MyEconLab, or Sapling) to assign homework and quizzes worth 25 percent of the grade. This requires daily engagement in the course material.
Economics 201 – Principles of Microeconomics
Fall 2015
MWF 1:10-2:00 – GBB 122

Office: Instructor: Dr. Jeff Bookwalter
        LA 407
Contact Info: jeff.bookwalter@msu.umt.edu
Office Hours: TTH – 8:40-9:40, W 10:00-11:00 or by appt.
Teaching Assistant: Maddie Cole
        LA 409
        243-2925 (Econ. Dept., for messages)
        madison.cole@umontana.edu
        T 10:00-12:00, W 11:00-1:00, F 11:00-12:00

Course Materials:

Sapling Learning, online homework system
N. Gregory Mankiw, Principles of Microeconomics, 5th ed.

General Description: Microeconomics is the study of how individuals, firms, and governments make economic decisions. Once the basic tools of economic analysis are covered, considerable time will be spent on the issues of taxation, the environment, international trade, discrimination, and market power.

This course also focuses on current economic issues being debated at the local, state, or national level. It is important to keep up with current economic events as reported in magazines (e.g. Time, The Economist) or newspapers (e.g. the New York Times, the Wall Street Journal). We will cover current events most days and the material will be included on exams. As you all know, courses are dull when no one other than the instructor has read the material and has anything to contribute. Please read all materials before class and come ready to participate.

Learning Objectives: This course helps students develop basic economic competencies through the development and application of economic theory to real world events. At the conclusion of this course you should be able to:

- understand the economic theories of supply and demand, comparative advantage and firm behavior and apply this economic theory to economic problems
- intelligently discuss current economic issues using appropriate economic theory
- understand the impact of various economic policies and how they affect different segments of society.

Sapling Learning: Homework assignments and the electronic version of the textbook are found on the Sapling website. Please see separate sheet for details.

Email List: Every student at UM is automatically assigned an email address in the following format:
firstname.lastname@umontana.edu. I will use these email addresses regularly to send out current events readings, make class announcements, provide homework answers and for others things as the need arises. Once the course is underway, you will receive emails most weeks.

Exams: There are a total of five exams. All will be a mix of multiple choice, short answer, and problems. The final exam is comprehensive but emphasizes material from the last quarter of the course. **Except for documented emergencies or University excused absences, make-up exams are not given.** You total exam score will be the average of your four highest exam grades. In practice, that means if you have taken all the exams and are satisfied with your grade after the last one, you do not need to take the comprehensive final. It also means that if you miss one of the first four exams, the final exam is mandatory.

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<tr>
<th>Exam</th>
<th>Date</th>
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<tbody>
<tr>
<td>Exam 1</td>
<td>Friday, September 25th</td>
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<td>Exam 2</td>
<td>Friday, October 16th</td>
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<td>Exam 3</td>
<td>Friday, November 13th</td>
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<td>Exam 4</td>
<td>Wednesday, December 9th</td>
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<tr>
<td>Final Exam</td>
<td>Monday, December 14th, 1:10-3:10</td>
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Grading:

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<th>Component</th>
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<tbody>
<tr>
<td>Exams</td>
<td>75 percent</td>
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<tr>
<td>Quizzes and Homework</td>
<td>25 percent</td>
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</table>
Use supply and demand analysis to model the following situations. It will be simpler to use a new graph for each letter below.

(A) In the late 1975 the price of oil was relatively low (around $10 per barrel). OPEC organized during that period and by restricting the amount its members could pump out of the ground, was able to push up the price to nearly $40 dollars per barrel. (B) In 1982 OPEC started to fall apart and couldn’t hold its members to quotas anymore. At the same time, the world began to find substitutes for oil and drive more efficient cars. By 1986 the price of a barrel of oil had fallen to $12. (C) The Gulf War in 1991 meant that some of the most oil rich countries were unable to produce any oil and by 1992 oil prices had increased to $35 per barrel. (D) During and after the Gulf War the United States and other non-Middle Eastern countries (especially Russia) begin to pump more oil. At the same time, US drivers buy lots of gas guzzling SUVs. Although prices fluctuate a bit, between 1992 and 1998 they are generally around $20 per barrel. (E) Since early 1999, OPEC has managed to convince its members to limit the amount of oil they pump out of the ground and prices have increased to roughly $31 dollars per barrel. (F) In the early 2000s, some countries, Equatorial Guinea for example, discover large new oil reserves and begin production. At the same time, economic growth in China and the war in Iraq sharply increases the world need for oil. The current price for a barrel of oil is $49. (G) The wars in Iraq and Afghanistan, and rising demand for oil in China and India push prices up and oil hits roughly $130 per barrel. (H) New technologies allow for extraction of oil from tar sands and shale formations, and economic troubles in China and India slow their economic growth. The price of oil falls to $50 per barrel.

Sample Elasticity Problems

1. Assume the price elasticity of cigarettes is 0.25. If the state wanted to impose a tax that raised prices, by how much would prices have to increase to get a 50% reduction in smoking? Explain why smokers are such an attractive target for taxation.

2. In a short paragraph and using graphs, show the effect of an increase in the price of cars on a) tires and b) bus tickets. Which of our elasticity measures might be relevant to this analysis? Why?

3. The price of paper clips rises from $0.08 to $0.10. Nationwide demand plummets from 100 million to 20 million. What is the price elasticity of demand? Is it realistic? For either no or yes, give one reason why.

4. Brad Paisley and Kanye West are both on tour. Currently the price of a Brad Paisley concert ticket is $30. The Kanye West show also costs $30. Last week’s Brad Paisley concert sold 30,000 tickets. This week Kanye lowered the price of his show to $1. Sales at Paisley’s show fell to 29,000. What is the cross price elasticity? Are these shows substitutes or complements? What else does the value of CPE tell you?
1) The city of Missoula has just decided to levy a tax on pizza sold after 10 p.m. to combat late night eating binges. Use the graph to answer the following questions about the market. (16 points)

The price of a pizza before the tax was: ____________.

After the tax, consumers pay: ____________.

After the tax, firms get to keep: ____________.

The amount of tax revenue for the government is: ____________. (show your work below)

Deadweight Loss is: ____________ (show your work below)

Circle the three correct answers: I can tell from the graph that the burden of the tax falls hardest on (Consumers or Producers) because (supply or demand) is more (elastic or inelastic).