

**Dear Future Student in Pisciotta's Economics 2306,**

I had some weak exam performances, but came on strong toward the end of the course. Dr. Pisciotta asked me to write to you about how I made the transition from middle-of-the-road student to being a strong student.

My study strategy was finding out from you which *specific* graphs in the text to concentrate on, and then RE-reading the material a few days before the test...not the day before. Also, while I read I took my own notes, concentrating on the paragraphs that specifically explained the graphs. After taking notes on the reading material I then pretended that every graph was a 12pt. essay question and so I tried to write out my own answers and then compared them to the descriptions in the book.

These strategies are different than the way I used to do it because I spent less time going over "definitions" and more time over the graphs. I've found that you'll learn the definitions as a result of learning the graphs. Also instead of trying to cram in every last detail, I focused more on the issues that were discussed in class and what we discussed after class.

Sincerely,

Mary Doe (B+ student, spring semester)

You can find additional advice about this course at [www.BUbooks.com](http://www.BUbooks.com)

**Course Outline: Economics 2306**  
**The Great Quest in Microeconomics**  
**Economics 2306, Spring 2008**

Dr. John Pisciotta

Office: Hankamer 345

Office Hours: TTh 9:00 to 10:00 a.m. & MWF 8:30 – 9:00 a.m., 3:00 – 4:00 p.m.

And you are welcome to come to my office at any time.

Office Phone: 710-6224 (leave message at any time)

E-mail [john\\_pisciotta@baylor.edu](mailto:john_pisciotta@baylor.edu) (send me an e-mail at any time to express your questions or comments (both negative and positive are welcome).

Texts: William McEachern, **Microeconomics** (7<sup>th</sup> edition) (required)  
Eco 2306 special **CoursePak** for Pisciotta's sections (required and available at bookstore).  
(optional—not required) John Lunn, **Study Guide for McEachern's 7<sup>th</sup> ed Microeconomics**  
Each chapter of **Study Guide** has these sections. The most helpful sections are in bold.

I. Introduction

**II. Outline**

**III. Discussion**

IV. Lagniappe

V. Key Terms

**VI. Questions**

**A. Completion**

**B. True/False**

**C. Multiple Choice**

D. Discussion Questions

**Goals for economics instruction**

For broader course goals see supplementary CoursePak

Microeconomics provides the decision-making foundation for all aspects of business, managerial accounting, marketing, and management. (Economists like to think of all other B-School disciplines as descendants of economics.) Your study of microeconomics is intended to help you:

- make better business decisions.
- make better personal decisions.
- understand the benefits and deficiencies of the market mechanisms as tools to enhance human lives.
- understand much about government initiatives to change the result of the market process.
- understand the limitations of microeconomic analysis.

**Course Instructor:**

John Pisciotta has been a member of the Hankamer School of Business faculty since 1980. Initially, he was Associate Director of the Center for Private Enterprise. His work in the Center involved creating educational materials for teaching economics and delivering seminars on economic education. Since 1987, Pisciotta has been full-time in the Department of Economics.

Dr. Pisciotta has specialized in innovative approaches to teaching economics. These have included working physical models such as the Macroeconomics Tank and the Economic Balance Model. Dr. Pisciotta's teaching innovations have been honored with awards from the National Council on Economic Education and the Freedoms Foundation at Valley Forge.

Pisciotta's main research interests are the role of government in our economy (with a special interest in K-12 education) and the moral underpinnings or presumptions of the discipline of economics.

Pisciotta's interest in political economy includes activities outside the university setting. In 1974, he was a candidate for State Representative in his home state of Colorado.

Pisciotta is also a leader in the pro-life movement in Waco and in the Catholic Diocese of Austin. His activities have resulted in his being a guest on NBC's **Today Show**, Fox News **Hanity and Combs**, and CBN's **700 Club**. He is faculty sponsor for the Bears for Life student organization at Baylor.

Pisciotta was the co-director of the Pruitt Memorial Symposium which took place in November 2002. The conference "Christianity and Economics: Integrating Faith and Learning in Economic Scholarship" brought nearly 200 scholars to the Baylor campus.

John Pisciotta is originally from the farming community of Vineland, Colorado. He earned his undergraduate degree from the University of Colorado and a Ph.D. in economics from The University of Texas at Austin.

### **About Learning with Experimental Economics**

In this course, our class time will be used for "experimental" classroom interactions and lecture/discussions sessions. The subject of economics is well suited to an experimental approach. By participating in economic experiments, you will be able to observe economic principles in action. After you have participated in an experiment and recorded the results, I will present economic theories designed to explain what happened in the "experimental laboratory." With the data collected from the classroom experiments you can discover how well or how badly each theory works to predict the experimental outcome. With this approach, theories come to life and they become more interesting. I hope that in the process you will come to appreciate the great power and some of the shortcomings of economics.



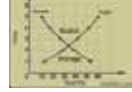

Important parts of your learning will be done with classroom experiments, so it is very important that you participate. Additionally, homework will be assigned that will require your analysis of the data resulting from our experiments. Finally, you will receive bonus credit based on how well you do in the experiments. Let me apologize at the outset for introducing this competition into the course. I realize this is not politically correct.

# Eco. 2306 Tentative Daily Schedule

Spring 2008, Version 1.0

January 10, 2008

Accessing software used in class: [J:\John\\_Pisciotta\MCE40\MCE.EXE](#)

	<p><b>Week #1</b> <b>Class Day 1.</b> <b>January 14 Monday</b></p>	<p><b>Introduction to Course</b> Ch. 1, 1-5 <b>Experiment: Trade and Exchange</b> <b>CoursePak</b> I, Pencil 40-41 Essay on the Principle of Population 42-43 St. Louis is most dangerous US city 44 Standards for Education in Economics 45</p>
	<p><b>Week #1</b> <b>Class Day 2.</b> <b>January 16 Wednesday</b></p>	<p><b>Introduction to Course</b> Ch. 1, 5-10 <b>Understanding Graphs</b> Ch. 1 App., pp 19-23 (through Ex. 9).</p>
	<p><b>Week #1</b> <b>Class Day 3.</b> <b>January 18 Friday</b></p>	<p><b>Costs &amp; Production</b> <b>Possibilities</b> Ch. 2, 27-31.and 34-41. <b>CoursePak</b> 1. The Road Not Taken (Robert Frost) 46</p>
<p>January 21 Monday MLK Holiday</p>		
	<p>Tuesday of Week 2. Aplia on-line quiz</p>	<p>Complete by 11:45 p.m.</p>
	<p><b>Week #2</b> <b>Class Day 4.</b> <b>January 23 Wednesday</b></p>	<p><b>Economics Systems: Rich and Poor Countries of the World</b> Ch. 2, 41-45. <b>CoursePak</b> 2. History of Plymouth Plantation 47 3. Vietnam Embraces Capitalism 48 4. Economic Determinism 49 1. Africa's Poverty Trap 50</p>
	<p><b>Week #2</b> <b>Class Day 5.</b> <b>January 25 Friday</b></p>	<p><b>Demand Analysis</b> Ch.4, 71-78 <b>CoursePak</b> 2. Death by Spinach 51</p>
	<p><b>Week #3</b> <b>Class Day 6.</b> <b>January 28 Monday</b></p>	<p><b>Supply Analysis</b> Ch. 4, 78-81 <b>Experiment: Supply and Demand</b> <b>CoursePak</b> 3. Few pumpkins in October 52</p>
	<p>Tuesday of Week 3. Aplia on-line quiz</p>	<p>Complete by 11:45 p.m.</p>
	<p><b>Week #3</b> <b>Class Day 7.</b> <b>January 30 Wednesday</b></p>	<p><b>Market Equilibrium</b> Ch. 4, 81-91 <b>CoursePak</b> 4. The Whale Oil Crisis 53 All. Template on curve shifts &amp; equil 54</p>
	<p><b>Week #3</b> <b>Class Day 8.</b> <b>February 1 Friday</b></p>	<p><b>Search for Values in Age of Economic Affluence</b> <b>CoursePak</b> All. Economic Poss. for Grandchildren 55-56 1. Search for Values (Pisciotta) 57-59 2. Choosing a Life of Sacrifice 60 3. The Story of Narcissus 61 4. Teens have designs on pricey fashions 62 1. Spring Break: Haiti or Padre Island 63</p>
	<p><b>Week #4 Class Day 9.</b> <b>February 4 Monday</b></p>	<p><b>Test #1: Mini Test</b> Test taken during regular class time.</p>





**Week #4**  
**Class Day 10.**  
**February 6 Wednesday**

**Economic Role of Government**

Ch. 3. Pp 59-63 (Including Exhibit. 3)

**CoursePak**

- All. Private Good, Extern.& Public Goods 64
- 2. Rule of Law and Economic Growth 65
- 3. Is tax-free holiday for spendthrift? 66

**Week #4**  
**Class Day 11.**  
**February 8 Friday**

**Econ. Role of Government -Cont.**

Ch. 3. Pp 59-53 (Including Ex. 3 on p. 57)



**Week #5**  
**Class Day 12. February 11 Monday**  
**Group study classroom: Cashion 311,**  
**8-10 & 2-3 p.m. Cashion 309 3 -6:30 p.m.**

**Public Choice View of Government**

Ch. 16 as assigned in course guide

**Experiment: Information for Voting and Market Choices**

**CoursePak**

- 4. Declaration of Independence 67
- 1. Knowing about Congressional Pork 68

Tuesday of Week 5. Aplia on-line quiz

Complete by 11:45 p.m.

**Week #5**  
**Class Day 13.**  
**February 13 Wednesday**

**Public Choice View of Government—Continued**

**CoursePak**

- 2. Local reps favor book tax holiday 69
- 3. Temporary Nature of Democracy 70

**Week #5**  
**Class Day 14.**  
**February 15 Friday**  
**Concept Illustration Project Due Today**

**International Trade**

Ch. 2, 31-34.

Ch. 19, as assigned in course guide.

**CoursePak**

- 4. PETITION from Manu's of Candles 71
- 1. Wal-Mart opens store in Mexico 72
- 2. U.S. limits clothing from China 73



**Week #6**  
**Class Day 15.**  
**February 18 Monday**

**Consumer Behavior**

Ch. 6. as assigned in course guide.

Tuesday of Week 6. Aplia on-line quiz

Complete by 11:45 p.m.

**Week #6**  
**Class Day 16.**  
**February 20 Wednesday**

**Consumer Behavior -- continued**

Ch. 6. as assigned in course guide.

**CoursePak**

- All. Defining Happiness (Spitzer) 74-77
- 3. Conspicuous Consumption ( Veblen) 78
- 4. Easy credit impact 79
- 1. Of Individualism (Tocqueville) 80
- 2. iPods feed growing isolation 81
- 3. "My Way" (Frank Sinatra) 82
- 4. Living in a big family 83

**Week #6**  
**Class Day 17.**  
**February 22 Friday**  
**Concept Illustration Project Due Today**

**Elasticity of Demand and Supply**





Ch. 5, as assigned in course guide.



Ignore "unit" elasticity in Exhibits 3 & 8.




**CoursePak**

- 1. Gas guzzled despite nearing \$3 a gallon 84

<b>Week #7</b> <b>Class Day 18.</b> <b>February 25 Monday</b>	<b>Production &amp; Costs in Short Run</b> Ch. 7, 149-152. <b>CoursePak</b> 2. Red Hot Opportunity! 85 3. Don't Count the Cost 85
Tuesday of Week 7. Aplia on-line quiz	Complete by 11:45 p.m.
<b>Week #7</b> <b>Class Day 19.</b> <b>February 27 Wednesday</b>	Class held in Cashion 510 (Banquet Room.) <b>Experiment: Process of Production</b> Some of you will be running. Please wear running cloths and running shoes.
Thursday of Week 7. Aplia on-line quiz	Complete by 11:45 p.m.
<b>Week #7</b> <b>Class Day 20.</b> <b>February 29 Friday</b> Concept Illustration Project Due Today	<b>Production &amp; Costs in Short Run</b> Ch. 7, 152-160.
<b>Week #8</b> <b>Class Day 21.</b> <b>March 3 Monday</b> Group study available in Cashion 311, 8-11 a.m. & 2-7 p.m.	<b>Examination #2:</b> <b>7-10 p.m.</b> <b>Morrison 100.</b>

	<p><b>Week #8</b>  <b>Class Day 22.</b>  <b>March 5 Wednesday</b></p>	<p><b>Monopoly</b>  <b>Ch. 9, 203-216</b></p> 
	<p><b>Week #8</b>  <b>Class Day 23.</b>  <b>March 7 Friday</b></p>	<p><b>Long Run Economic Growth &amp; U.S. Immigration.</b></p> <p><b>CoursePak</b>  All. Creative Destruction (Schumpeter) 92-93  4. The Curse of Oil 94-95  1. Contractors could face federal ban 96  2. Wave of Immigration Raids Helps Blacks 97  3. Bring Back Braceros 98</p>
<p><b>March 8-16 Spring Break</b></p>		
	<p><b>Week #9</b>  <b>Class Day 24.</b>  <b>March 17 Monday</b></p>	<p><b>Long Run Economic Growth &amp; U.S. Immigration.</b></p> <p><b>Continued</b></p>
<p>Tuesday of Week 9. Aplia on-line quiz</p>		<p><b>Complete by 11:45 p.m.</b></p>
	<p><b>Week #9</b>  <b>Class Day 25.</b>  <b>March 19 Wednesday</b></p>	<p><b>Monopoly—countined</b></p> <p><b>CoursePak</b>  4. Eatery needed Krystal Ball 90  1. Waco OKs 60% cab fare hike 91</p>
<p><b>March 21-24 Easter Holidays</b></p>		
	<p><b>Week #10</b>  <b>Class Day 26.</b>  <b>March 26 Wednesday</b></p>	<p><b>Monopoly—continued even further</b></p>
<p>Thursday of Week 10. Aplia on-line quiz</p>		<p><b>Complete by 11:45 p.m.</b></p>
	<p><b>Week #10</b>  <b>Class Day 27.</b>  <b>March 28 Friday</b></p>	<p><b>Perfect Competition in the Short Run</b>  Ch. 8, 175-186.</p>
	<p><b>Week #11</b>  <b>Class Day 28.</b>  <b>March 31 Monday</b>  Group study available in Cashion 311,  8-11 a.m. &amp; 2-7 p.m.</p>	<p><b>Examination #3:</b>  <b>7-10 p.m.</b>  <b>Marrs McLane 100.</b></p>

	<p><b>Week #11</b>  <b>Class Day 29.</b>  <b>April 2 Wednesday</b></p>	<p><b>Production &amp; Costs in Long Run.</b>  Ch. 7, pp. 160-165.  <b>Course Pak</b>  2. McDonald's gets brand-new digs 87  All. Golden Rule or Silver Rule? 88-89</p>
	<p><b>Week #11</b>  <b>Class Day 30.</b>  <b>April 4 Friday</b></p>	<p><b>Perfect Competition in Long Run</b>  Ch. 8, 188-192.</p>
	<p><b>Week #12</b>  <b>Class Day 31.</b>  <b>April 7 Monday</b></p>	<p><b>Monopolistic Competition</b>  Ch. 10, 225-235  <b>Experiment: Entry and Exit</b>  <b>CoursePak</b>  All. Moral heart of Capitalism (Novak) 99-100  3. Curves gives \$3 million 101  1. Focus' other leade 102  2. Watchword at McDonald's: Wrap 103  3. Parking Lot Perks 104</p>
<p>Tuesday of Week 12. Aplia on-line quiz</p>		<p><b>Complete by 11:45 p.m.</b></p>
	<p><b>Week #12</b>  <b>Class Day 32.</b>  <b>April 9 Wednesday</b></p>	<p><b>Oligopol</b>  Ch. 10, 235-247  <b>CoursePak</b>  4. What Constitutes an Oligopoly? 105</p>
	<p><b>Week #12</b>  <b>Class Day 33.</b>  <b>April 11 Friday</b>  <b>Concept Illustration Project Due Today</b></p>	<p><b>Oligopoly--continued</b>  <b>CoursePak</b>  <b>Experiment: Monopoly &amp; Cartels</b>  1. Samsung to Pay Fine for Price Fixing 108  2. Merger of Adidas, Reebok threatens Nike 109</p>
	<p><b>Week #13</b>  <b>Class Day 34.</b>  <b>April 14 Monday</b></p>	<p><b>Oligopoly continued</b>  <b>CoursePak</b>  All. The Gift of the Magi 106-107</p>
<p>No more Aplia quizzes this semester</p>		
	<p><b>Week #13</b>  <b>Class Day 35.</b>  <b>April 16 Wednesday</b></p>	<p><b>Price Discrimination</b>  Ch. 9, 220-222.</p>
	<p><b>Week #13</b>  <b>Class Day 36.</b>  <b>April 18 Friday</b>  <b>Concept Illustration Project Due Today</b></p>	<p><b>Resource Market</b>  Ch. 11. As assigned in course guide.  <b>CoursePak</b>  3. Meaning of Work in John Paul's "Laborem exercens" 110  4. Flipping burgers no dead-end job (Walter Williams) 111</p>
	<p><b>Week #14</b>  <b>Class Day 37.</b>  <b>April 21 Monday</b>  Group study available in Cashion 311,  8-11 a.m. &amp; 2-7 p.m.</p>	<p><b>Examination #4.</b>  <b>7-10 p.m.</b>  <b>Marrs McLane 100.</b></p>

	<p><b>Week #14</b>  <b>Class Day 38.</b>  <b>April 23 Wednesday</b></p>	<p><b>Experiment: Minimum Wage</b>  <b>Comparison of Markets &amp; Government</b>  <b>CoursePak</b>  All. Market vs. Government: (John Pisciotta)  pp. 112-117</p>
	<p><b>Week #14</b>  <b>Class Day 39.</b>  <b>April 25 Friday</b></p>	<p><b>Comparison of Markets &amp; Government Continued</b>  <b>CoursePak</b>  All. Market vs. Government: (John Pisciotta)  pp. 112-117</p>
	<p><b>Week #15</b>  <b>Class Day 40.</b>  <b>April 30 Monday</b></p>	<p><b>Education and K-12 Vouchers</b>  <b>CoursePak</b>  All. Government in Education (Friedman)  118-122  2. Public schools leave some subjects behind 123  3. Could parents be the problem? (George Will) 124  4. Truancy Hunters 125</p>
	<p><b>Week #15</b>  <b>Class Day 41.</b>  <b>April 30 Wednesday</b></p>	<p><b>Poverty in the U.S.</b>  Ch. 18, As assigned in course guide.  <b>CoursePak</b>  All. Reports: Government failing Indians 126  1. Common sense: Cosby's advice 127  2. Salvation for blacks isn't politics 128  3. Reyna Family: True to Their Roots 129</p>
	<p><b>Week #15</b>  <b>Class Day 42.</b>  <b>May 2 Friday</b>  <b>Concept Illustration Project Due Today</b></p>	<p><b>Poverty in the U.S.</b>  Ch. 18, As assigned in course guide.  <b>CoursePak</b>  4. Charitable Consistency (Olasky) 130  1. The Playboy philosophy plus 50 years 131  2. What Sort of Despotism for Democracy 132-133</p>
<p><b>Week #16</b>  <b>Class Day 43.</b>  <b>May 5 Monday</b></p>	<b>Wild Card</b>	
<p><b>May 6 Special Study Days</b></p>	<p><b>Cashion 311 is reserve for you to study economics or for other classes.</b></p>	
<p><b>May 7 Special Study Days</b></p>	<p><b>Cashion 311 is reserve for you to study economics or for other classes.</b></p>	
	<p><b>Tuesday May 13</b>  <b>11:30 – 1:30</b></p>	<p><b>Tuesday May 13</b>  <b>11:30 – 1:30</b></p>



See you later Mr. P.