ECON 200-02-05 Microeconomic Principles

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Course Overview:

*Microeconomics* is the study of how consumers, firms and society allocate 'scarce' resources to meet their needs. We will cover a wide range of practical topics in this course, ranging from opportunity cost, demand and supply, taxes, costs, pricing, different market structures, as well as the role of government in a free-market economy. By the end of the semester, you will have hopefully developed a better understanding of how economic decisions are made, so that you can critically analyze economic and political issues that are prevalent in the news today.

**Required Textbook:**

N. Gregory Mankiw, *Principles of Microeconomics*, South-Western Publisher. Any edition will be fine. I will post the syllabus, lecture outlines, assignments, readings and any announcements on Canvas.

**Grades:**

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm (lowest of two midterms dropped)</td>
<td>40</td>
</tr>
<tr>
<td>Final (may include some chapters from midterm)</td>
<td>50</td>
</tr>
<tr>
<td>Assignments (lowest score dropped)</td>
<td>20</td>
</tr>
<tr>
<td>Participation and in-class assignments</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL score</strong></td>
<td>120</td>
</tr>
</tbody>
</table>

I will grade and return all assignments to you as soon as possible (usually within a week), except for the final exam and the participation grades, which I will calculate at the end of the semester.

I will use the following scale to calculate your final grade for the course.

- **A** = 94% and above
- **A-** = 90-93%
- **B+** = 87-89%
- **B** = 83-86%
- **B-** = 80-82%
- **C+** = 77-79%
- **C** = 70-76%
- **D** = 60-70
- **F** = Below 60%

If your final percentage grade falls within 0.5 points of the next letter grade, I will round it off. For example, if your overall percentage for the course is above 82.5, I will round off your grade to 83%. The grades may be curved depending on class performance but there is no guarantee that I will do this.

If you want to calculate your current grade in the course, you may add up all the scores you have been handed back as a percentage of your total score. Then use the grading scale above. For example, if you receive 9 out of 10 in the first assignment and 33 out of 40 in the midterm, your grade in the course based on these scores is (9+33) out of (10+40), i.e. 42/50 = 84%, which is a “B” using the grading scale above.

Since your assignments and exams will be handed back to you (except for the final exam and your class participation grade), you can use the formula above to calculate your grade in the course. I will not post grades on Canvas but I will be happy to discuss any questions related to your grade.
Exams will be closed book and consist of a mix of problems, short questions, and multiple-choice questions. For the exams, you will be responsible only for the material discussed in class. I will do a review before each exam but the exam review itself will not be a substitute for attending class regularly.

**Tentative Course Coverage:**

The course coverage and midterm date may change depending on our progress in class. Any changes will be announced in class and in *Canvas*.

1/9-1/18  
**Fundamentals of economics**  
Overview of economics, microeconomics versus macroeconomics  
Mathematical Preliminaries (Instructor's Handout)  
Two important models: (1) Production Possibilities Frontier (Chapter 2, Mankiw)  
(2) Circular Flow Model (Chapter 2, Mankiw)

1/20-1/25  
**Why we specialize and why countries trade**  
Comparative and Absolute Advantage (Chapter 3, Mankiw)

1/25-2/8  
**How markets work**  
Supply and Demand (Chapter 4, Mankiw)

2/8-2/27  
**How market activities and taxes impact the economy**  
Elasticity (Chapter 5, Mankiw)  
Market Constraints (Chapter 6, Mankiw)  
Welfare Analysis (Chapter 7, Mankiw)  
Welfare Costs of Taxation (Chapter 8, Mankiw)

2/27-3/20  
**The underlying theory behind the demand curve**  
Utility Analysis and the famous “paradox of value” (Instructor's Handout)

3/20-4/21  
**Market structure and industrial organization**  
Cost and Production (Chapter 13, Mankiw)  
Firms in Competitive Markets (Chapter 14, Mankiw)  
Monopoly (Chapter 15, Mankiw)  
Monopolistic Competition (Chapter 17, Mankiw)  
Oligopoly (Chapter 16, Mankiw)

4/21-4/28  
**Market failures and the role of government**  
Externalities (Chapter 10, Mankiw)  
Public Goods and Common Resources (Chapter 11, Mankiw)* (Time permitting)

**Midterm #1:** Monday, February 6th (tentative)  
**Midterm #2:** Friday, March 17th (tentative)

**Final:**  
Wednesday, May 3rd 8-9:50 (for students in the morning section of ECON 200)  
Wednesday, May 3rd 12-1:50 (for students in the afternoon section of ECON 200)

**No classes:**  
January 16th (MLK day); March 6th-8th (Spring Break); April 14th and April 17th (Easter)

* **Homework** due dates will be announced in class.
Course Policies:

- **Attendance:** I do not take class attendance but obviously, you cannot receive a good class participation grade if you are not in class. Also, the primary material for the exams will be the lecture notes. Although I will post lecture **outlines** on Canvas, you will receive the examples and detailed explanations only if you are in class. It is understandable if you miss a few (but not too many) classes and you do not have to explain to me why you missed those classes. If you miss a class, get the lecture notes from one of your classmates. After reviewing the notes, do not hesitate to talk to me if you have any questions. If you miss an in-class assignment, there will be no need for make-up work as there will be several in-class assignments throughout the semester and I will drop the lowest in-class assignment score. If you miss a class and want to discuss it with me, I prefer that you talk to me about it in person before or after class. In case you send me an email about missing a class, I will read the email but I may not respond unless it is an emergency.

- **Class conduct:** I expect the class atmosphere to be informal but respectful; inside and outside the classroom, treat each other and your professor with respect. Kindly do not surf the Internet (this class has a ‘no laptop policy’) or have sidebar conversations while others are talking. I will keep track of attendance and positive conduct (in class/office hours/email) to factor in effort in the classroom in the calculation of the final grades for the course.

- **Late submission:** Late submissions will be assessed 20% per day. You are welcome to submit your assignment early if necessary.

- **Make-up exam/assignments:** We will drop the lowest assignment and midterm scores; so, there will be no need for making up a missed midterm or assignment. If you miss more than an assignment or midterm due to a medical/work/family emergency, bring **official, up-to-date and legible** documentation from your employer or doctor. If your request is approved, I may adjust the weight of your remaining exams/assignments to make up for lost credit. If you have a conflict with the exam dates listed above, talk to me as soon as possible.

- **Final exam:** The final exam is mandatory. Missing it will result in a grade of zero for the final.

- **Email:** Use email for short questions (e.g. setting up an appointment to meet in my office). For longer questions or questions involving graphs/algebra, it is better to talk to me in person. Due to the volume of email I receive each semester, please be patient if you do not hear back from me immediately.

- **Academic dishonesty:** Plagiarism on a project/paper, copying classmates’ assignments word-for-word or cheating during an exam will result in a grade of "F" for the relevant assignment. In addition, the Dean of the College will be notified about the incident.

- **Accommodations for disability:** Students who require disability accommodations in this class are encouraged to make their requests by sharing their Accommodation Letters with me at the beginning of the semester. Disability related information is confidential. If you have not previously reached out to Disability Services, you can do so by phone at 513-745-3280, in person on the Fifth Floor of the Conaton Learning Commons, Room 514, or via e-mail to Cassandra Jones at jonesc20@xavier.edu, to coordinate reasonable accommodations as soon as possible, as accommodations are not retroactive.

- **Request for grade increase:** To be fair to all students, I can only assign a grade for the course based on class performance. So, kindly refrain from requesting grade increase for personal reasons. If you need a good grade in this course, work hard from the beginning of the semester. I want all my students to succeed and I will do everything I can to help you understand the material better.

- **About this syllabus:** I reserve the right to modify the syllabus as needed.

**How to do well in this course:**
I want you to work hard and succeed in this class. The course material can be difficult at times and can build up quickly. Pay attention in class and take good notes. Bring a few colored pens to class so that you can draw different graphs in different colors. We go over a lot of material in this class, so it may be a good idea to get a binder to keep all your notes, exams and assignments together in one place. At the end
of each class, take a minute to highlight the important sections of your lecture notes and if necessary, place question marks next to anything that is not clear. Do not hesitate to ask questions either during or after class. I am always happy to see you in my office! Make sure to regularly review the in-class problems, homework problems and practice exam questions. Most importantly, do all of these things early; do NOT wait until just before an exam to find out whether you can understand the course material.

**WCB Mission Statement:**
“We educate students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition.”

**WCB Learning Goals for This Course:**

**Critical Thinking**
- **Learning Goal:** WCB graduates will be able to think logically, reason quantitatively, and utilize appropriate analytical techniques and technology when evaluating and making decisions.
- **Learning Objective:** WCB students will collect, evaluate and synthesize information to offer solutions and support decision making.

**Ethics and Social Responsibility**
- **Learning Goal:** WCB graduates will be able to recognize ethical issues, discern moral implications of decision making, and be prepared, and willing, to serve as responsible and professional members of society.
- **Learning Objective:** WCB students will demonstrate the skills necessary to analyze information and make informed, ethical decisions in complex, conflicting or ambiguous environments or situations.

**Effective Written and Oral Communication**
- **Learning Goal:** WCB graduates will be able to organize, support and communicate ideas clearly and effectively, employ multiple mediums of communication (e.g., written, oral and visual), and adapt communication to audience, context or purpose.
- **Learning Objective:** WCB students will produce business documents and reports demonstrating their ability to organize and communicate ideas clearly and professionally.

**Global Perspective and Cultural Diversity**
- **Learning Goal:** WCB graduates will appreciate the historical and cultural contexts of the world in which they live, demonstrate the competencies required for engaging in global business activities, and respect and value diverse peoples and perspectives.

**Understanding and Application of Knowledge Across Business Disciplines**
- **Learning Goal:** WCB graduates will be able to evaluate business from an integrative and holistic point of view, leverage the synergies between functional business areas, and demonstrate college-level mastery of their chosen discipline.
- **Learning Objective:** WCB students will demonstrate the appropriate knowledge of accounting, economics, finance, management, management information systems, marketing, quantitative business analytics, international issues, and the legal and social environment of business.
- **Learning Objective:** WCB students will evaluate business problems from an integrative point of view, including diverse business functions, competition and external environment (social, political, economic, and environmental.)

**Personal and Professional Development**
- **Learning Goal:** WCB graduates will be well-prepared for their future careers and appreciate the importance of continuous professional development and life-long learning.