

DEPARTMENT OF ECONOMICS
COLORADO STATE UNIVERSITY

ECON 202H: PRINCIPLES OF MICROECONOMICS (Honors)

Dr. A. Bernasek
Fall 2017

Lecture: TR 9:30-10:45am
Classroom: Eddy 11
Office hours: M 2-3pm and W 11am-12pm
Office: CLA Dean's Office, Clark Building C 138

Course Objectives:

This course provides a critical introduction to the study of microeconomics. Students will learn to use the tools of neoclassical microeconomics to study economic problems and evaluate economic policies. They will also be exposed to critiques of those tools and their application to specific problems. The main objective of the course is to give students an introduction to microeconomics and to both the strengths and weaknesses of neoclassical microeconomic theory in analyzing and solving real world problems.

Microeconomics examines decision making by individuals (as consumers and workers) and firms and the government in the context of markets. The strengths and weaknesses of markets for allocating resources in a capitalist economy are evaluated in terms of efficiency and equity and are weighed against other resource allocation mechanisms.

Student Learning Objectives:

At the conclusion of this course students will have demonstrated knowledge of:

1. The definition of economics, and the concepts of scarcity, opportunity cost and efficiency.
2. Different schools of economic thought.
3. Market equilibrium and comparative statics using supply and demand diagrams.
4. The neoclassical theory of consumer behavior; utility maximization.
5. Other behavioral models.
6. The neoclassical theory of firm behavior; profit maximization.
7. Firm behavior in different market structures.
8. Game theory as a way of modeling strategic behavior.
9. Factor markets; in particular how labor markets function.
10. Market failures; monopoly, public goods, externalities, imperfect and asymmetric information and the role of the government in addressing market failures.
11. Environmental economic issues.
12. Income and wealth inequality and poverty.

13. How race, gender, and class affect economic outcomes and opportunities.
14. Public finance; the role of the government in spending and collecting taxes.
15. International trade and globalization.

Contact Hours:

To be successful, each week students are expected to spend approximately three hours in lecture, and (at least) six hours engaging in activities including reading the texts and others references, reviewing class notes, completing assignments, and studying for exams. That is a total of *at least 9 hours* per week on average that should be devoted to this class.

Academic Integrity:

Students are expected to be aware of the University's expectations regarding academic integrity and the consequences of violating those expectations. Please see the university catalog for policy on this issue:

<http://catalog.colostate.edu/front/policies.aspx>. There is a voluntary honor code that you are welcome to sign on all your assignments/exams: "*I have not given, received, or used any unauthorized assistance.*"

Accommodations and Tutoring:

- Resources for Disabled Students: Students with disabilities may be eligible for accommodations in accordance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act. It is the student's responsibility to disclose any learning disabilities. Please contact me if a special accommodation is required. To request accommodations, students should contact Resources for Disabled Students at (970) 491- 6385 or go to <http://rds.colostate.edu>. Documentation of disability is required and the RDS office will assist in this process.
- Study Group: Attending this FREE program will help you improve your understanding of course material while learning effective study techniques. All study groups are drop-in, so students can come as many times as they want. For more information and study group schedule, visit: <http://tilt.colostate.edu/learning/tutoring/studyGroups/index.cfm>
- Writing Center: Help with written assignments can be found at the Writing Center (<http://writingcenter.colostate.edu>).

Texts for the Course:

Paul Krugman and Robin Wells (2009) *Microeconomics*. 4th Edition. Worth Publishers.

Dollars and Sense. *Real World Micro*. 24th edition. June 2017.

Note: Additional readings, study guides, assignments, messages etc. will be posted on canvas.

Assignments:

1. Exams:
There will be four exams. Each exam includes multiple-choice questions, graphing questions and short answer questions. Each exam is worth 100 points.
2. Homework:
There will be optional homework assignments. Each one will give students the possibility of extra credit. Points will be assigned as per instructions.
3. Workshops:
These are in-class group work sessions where students get an opportunity to work on problems. These are not graded.
4. Participation.
There will be points awarded for participation in class. Students will be expected to speak in 10 classes throughout the semester. Each time a student speaks they should let the professor know at the end of class. Participation includes asking a question, answering a question and making a comment during class sessions.
5. Essay:
There is one essay that will involve using microeconomic theory to analyze a problem and propose a policy solution. The essay will be due towards the end of the semester and there will be the possibility of revising the essay based on feedback if necessary. The essay is worth 100 points. It should be typed and double-spaced and 2-3 pages in length. More information about the topic will be forthcoming.

Grades:

Tests (4*100)	400 points
Homework (extra credit)	
Essay	100 points
Participation (10* 10 classes)	100 points
Total	600 points

Grades will be assigned according to a straight scale:

A	540-600 points
B	480-539 points
C	420-479 points
D	380-419 points
F	below 380 points

+/- will be awarded at the instructor's discretion.

Expectations:

1. Students are expected to read the relevant material in the textbook before class.
2. Students are expected to come to class on time – class begins promptly at the stated time.
3. Students should be attentive in class and refrain from engaging in behaviors that disrupt the classroom environment for other students or the professor. For example, talking in class, using a cell phone or computer, reading a newspaper, should not happen in class.
4. Students are expected to behave with honesty and integrity. Academic dishonesty is not acceptable. Academic dishonesty includes plagiarism, copying or sharing answers to exam questions with other students, using phones during exams to search for answers to exam questions, among other things. Students may work together on in-class and in studying for exams. **The answers on exams and the essay are to be each individual's work only.** Students who engage in academic dishonesty will be penalized with a “0” on the relevant assignment and may face harsher penalties (see university policy referenced above).
5. Students are expected to behave with respect in dealing with the professor and other students in class. Class discussions are an important part of the experience in the course and will be conducted strictly adhering to norms of respectful exchanges recognizing that in certain instances there can be legitimate differences of opinion.
6. Students are expected to meet all deadlines for exams and the essay as stated in the syllabus. Missed exams or missing the deadline for the essay that are unexcused will result in a grade of “0”. Students should speak with the instructor if they are ill or having problems.
7. Notice of university sanctioned events should be provided before classes or deadlines for assignments are missed. Similarly, notice of any absence due to sickness should be provided before the absence. Where at all possible arrangements for make-ups should be made with the professor ahead of time (exceptions to this will be rare).
8. Students should check canvas regularly for materials and messages.

Schedule of classes:

The readings from the textbook and reader are indicated for each class. Please read the relevant readings before each class.

Week 1

Tuesday 8/22 LEC 1: Introduction, Ch 1 First Principles; D&S 1.1, 1.2

Thursday 8/24 LEC 2: Ch 2 Economic Models; D&S 1.4, 2.6

Week 2

Tuesday 9/5 LEC 3: Ch3 Supply and Demand

Thursday 9/7 LEC 4: Ch3 Supply and Demand continued; D&S 2.1, 2.5

Week 3

Tuesday 9/12 LEC 5: Ch4 Consumer and Producer Surplus, Ch 5 Price Controls; D&S 2.2, 2.3
Thursday 9/14 LEC 6: Ch 6 Elasticity

Week 4

Tuesday 9/19 Review (Chs 1-6)
Thursday 9/21 **Test 1 (Chs 1-6)**

Week 5

Tuesday 9/26 LEC 7: Ch 7 Taxes; D&S 9.1, 9.2, Ch 8 International Trade
Thursday 9/28 LEC 8: Ch 8 International Trade continued; D&S 10.1, 10.4, 10.7, Ch 9

Week 6

Tuesday 10/3 LEC 9: Ch 9 Decision making by individuals and firms
Thursday 10/5 LEC 10: Ch 10 The Rational Consumer; D&S 3.1, 3.4, 3.6

Week 7

Tuesday 10/10 Review (Chs 7-10)
Thursday 10/12 **Test 2 (Chs 7-10)**

Week 8

Tuesday 10/17 LEC 11: Ch 11 Behind the supply curve: input costs
Thursday 10/19 LEC 12: Ch 12 PC and the Supply Curve; D&S 4.1,4.2

Week 9

Tuesday 10/24 LEC 13: Ch 13 Monopoly; D&S 5.1, 5.5, 5.2
Thursday 10/26 LEC 14: Ch 14 Oligopoly; D&S 5.4, Ch15 Monopolistic Competition and Product Differentiation.

Week 10

Tuesday 10/31 Review (Chs 11-15)
Thursday 11/2 **TEST 3 (Chs 11-15)**

Week 11

Tuesday 11/7 LEC 15: Ch 16 Externalities; D&S 6.1, 6.4, 6.7
Thursday 11/9 LEC 16: Ch 17 Public Goods and Common Resources; D&S 1.6, 6.5
Essay DUE in class.

Week 12

Tuesday 11/14 LEC 17: Ch 18 Economics of the Welfare State; D&S 8.2, 8.6, 8.7
Thursday 11/16 LEC 18: Ch 19 Factor Markets and the Distribution of Income; D&S 7.3, 7.6, 7.7
Essay HANDED BACK in class

Week 13

Tuesday 11/21 Thanksgiving break

Thursday 11/23 Thanksgiving break

Week 14

Tuesday 11/28 LEC 19: Ch 20 Uncertainty, Risk and Private Information;
D&S 11.4, 11.5

Thursday 11/30 **Final version of Essay DUE in class –discussion of
essays**

Week 15

Tuesday 12/5 Conclusion to the class (Comprehensive)

Thursday 12/7 Review in Class (Chs 16-20)

Week 16

EXAM WEEK **Final Exam Cumulative**

Monday December 11, 2017 9:40-11:40 in regular
classroom