Why Should You Care About Microeconomics?

To learn Economics is not only to learn about specific concepts like demand and supply, but it is also (and maybe mostly important) to learn how to understand the dynamics of society from a particular point of view. As economist David Colander points out in his book *The Stories Economists Tell: Essays on the Art of Teaching Economics*, there are “three elements [that] define the economic approach to understanding reality and lead to economic wisdom. The *first* is to consider the incentives faced by the people involved in a real-world economic issue. The *second* is to figure out how the various incentives are likely to play out. (...) And the *third* is to bring the insights gained from the first and second steps to the data.”

In *Principles of Microeconomics*, we start the journey into the world of Economics by learning the *first* and *second* elements as we analyze the interactions between individuals and firms. We will walk through the concepts of individual rational behavior, supply, demand, market structure, market failure, and understand what they mean and how they operate. And as we go, we will learn how to answer questions like: How are the prices of goods and services determined? Why have health care costs risen so rapidly? Why does government control the prices of some goods and services, and what are the effects of those controls?

How Will This Course Help You Succeed?

By the end of the course, as you learn how to “think like an economist”, you will be better equipped to be successful in finance, marketing, business administration, economics, public policy and social work careers. You not only should be able to:
• Analyze how buyers and sellers interact in a free and competitive market to determine prices and quantities of goods;
• Evaluate applications of supply and demand, including price floors, price ceilings, and taxes;
• Describe and calculate elasticity and explain its consequences;
• Explain how consumer behavior shapes the demand curve with respect to utility and loss;
• Analyze the relationship between inputs used in production, and the resulting outputs and costs;
• Analyze a firm’s decision under conditions of perfect and monopolistic competition;
• Analyze a firm’s profit-maximizing strategy under conditions of a monopoly and oligopoly;
• Describe the complications surrounding public goods and externalities for an economy.

But you will also learn a kind of reasoning that will help you on your own life choices and work challenges!

**Textbook**

**Required:**


• MyLab Economics Access (Course Website: https://canvas.fiu.edu/)

Note: Online access to the full text of *Microeconomics* is included with purchase of MyLab Economics access, so students are not obligated to buy a physical copy of the textbook.

**Tentative Course Outline and Weekly Class Schedule**

Any changes to the syllabus will be announced in class.

**Week 1:**
- Chapter 1 - Economics: Foundations and Models

**Week 2:**
- Labor Day Holiday - Monday, 09/02
- Chapter 2 - Trade-offs, Comparative Advantage, and The Market System

**Week 3:**
- Chapter 2
- Chapter 3 - Where Prices Come From: The Interaction of Demand and Supply

**Week 4:**
- Chapter 3
- Chapter 4 - Economic Efficiency, Government Price Setting, and Taxes
Week 5:
- Chapter 4
- Exam 1 Review

Week 6:
- Exam 1
- Chapter 5 - Externalities, Environmental Policy, and Public Goods

Week 7:
- Chapter 5
- Chapter 6 - Elasticity: The Responsiveness of Demand and Supply

Week 8:
- Chapter 6
- Chapter 10 - Consumer Choice and Behavioral Economics

Week 9:
- Chapter 10
- Chapter 11 - Technology, Production, and Costs

Week 10:
- Chapter 11
- Exam 2 Review

Week 11:
- Exam 2
- Chapter 12 - Firms in Perfectly Competitive Markets

Week 12:
- Chapter 12
- Chapter 13 - Monopolistic Competition: The Competitive Model in a More Realistic Setting

Week 13:
- Veterans’ Day - Monday, 11/11
- Chapter 13

Week 14:
- Chapter 14 - Oligopoly: Firms in Less Competitive Markets

Week 15:
- Chapter 15 - Monopoly and Antitrust Policy and Final Exam Review
- Final Exam Review

Week 16: FINAL EXAM WEEK

Grading Policy and Scale

Grades are calculated as follows:

- Exam 1: 25%
- Exam 2: 25%
- Final Exam: 25%
- Homework (MyLab Economics): 15%
• In-Class Participation (attendance, activities and quizzes): 10%
• Up to 10 bonus points

Each student’s grade will be based on 3 exams (worth 100 points and completed in class), 12 homework assignments (worth 100 points each and completed on MyLab Economics), in-class participation in activities, and bonus points from ranking in quizzes and optional essay.

\[
\text{Final Grade} = (\text{Exam 1} * 0.25) + (\text{Exam 2} * 0.25) + (\text{Final Exam} * 0.25) \\
+ (\text{Homework Average} * 0.15) + (\text{Participation} * 0.1) + \text{Bonus Points}
\]

Do note that the two (2) lowest homework scores will be dropped in the calculation of the final grade.

The following standard scale is then used to determine your final grade, although I do reserve the right to be more generous if appropriate:

<table>
<thead>
<tr>
<th>Letter</th>
<th>Range</th>
<th>Letter</th>
<th>Range</th>
<th>Letter</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>90.00 - 100.00</td>
<td>B</td>
<td>79.00 - 83.99</td>
<td>C</td>
<td>67.00 - 72.99</td>
</tr>
<tr>
<td>A-</td>
<td>87.00 - 89.99</td>
<td>B-</td>
<td>76.00 - 78.99</td>
<td>D</td>
<td>60.00 - 66.99</td>
</tr>
<tr>
<td>B+</td>
<td>84.00 - 86.99</td>
<td>C+</td>
<td>73.00 - 75.99</td>
<td>F</td>
<td>Below 59.99</td>
</tr>
</tbody>
</table>

Note: There will be no extra credit of any kind offered to any student under any circumstances. Final grades will not be rounded.

If you have any questions or concerns about your grade, please contact the instructor immediately. Please, be proactive about your grades, and do not wait until the last minute.

**Exams**

There are three (3) exams in total. You are required to take all the exams at the scheduled time, unless you have a university-sanctioned schedule conflict. If you think you have a schedule conflict, please notify the instructor at least two weeks before the exam. All exams are hard-copied exams taken in class.

The detailed information for exams is given as follows:

- Exam 1 (Chapters 1-4): TBA; 5:00 PM - 6:15 PM; DM 100
- Exam 2 (Chapters 5, 6, 10, 11): TBA; 5:00 PM - 6:15 PM; DM 100
- Final Exam (Chapters 12-15): Final exam week; TBA
Note 1: Phones should be in silent mode and not visible during test time.

Note 2: Bring your Panther ID on the exam days.

Make-Up Exams

If you end up not taking an exam due to medical reasons, family emergencies, etc. (provided proper documentation), your missing midterm grade will be replaced by your final exam score. Make-up exams will not be given. This ensures equitable opportunities for all students to be assessed through the course’s exams.

Homework

Homework consists of 15-50 questions from each respective chapter. Homework will be assigned at the conclusion of every chapter and must be completed by the due date and time.

Late Assignments

Late homework assignments will not be graded and offered. Under no circumstances will make-up homework be allowed. A student who fails to complete the homework before the due date will receive a grade of “0” for the respective assignment.

The only time the due dates will be extended is if there are any technical difficulties on MyLab Economics’ system. If there is, please provide screenshot of the error and record as much evidence as you can, as well as sending technical support and me an e-mail. If the fault lies with MyLab Economics, I will make an announcement on Canvas and extend the due date by one day. If you do not follow these steps, then no extension will be given.

In-Class Participation

Attendance is REQUIRED for all scheduled class lectures. Half of in-class participation grade will be accounted for attendance and class participation, and half will be accounted for participating in random quizzes given in the beginning of classes. Students are allowed three (3) unexcused absences before it starts affecting their grades.

The quizzes will be delivered by kahoot.it, so please make sure that you will bring your cell-phone, tablet, or your laptop. You can either log in through your browser or the app and you have to use your Panther ID as your username. These quizzes will cover material given in previous classes and will help your learning process.

Bonus Points

Those who are participating in at least 80% of the Kahoot quizzes will earn 5 bonus points according to their Kahoot rank (their performance among other students). The higher the Kahoot rank
the higher the bonus points. It goes as follow:

<table>
<thead>
<tr>
<th>Ranked Category</th>
<th>Bonus Points</th>
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</thead>
<tbody>
<tr>
<td>Ranked Among Top 5%</td>
<td>5 Points</td>
</tr>
<tr>
<td>Ranked Between Top 5% - 15%</td>
<td>4 Points</td>
</tr>
<tr>
<td>Ranked Between Top 15% - 30%</td>
<td>3 Points</td>
</tr>
<tr>
<td>Ranked Between Top 30% - 50%</td>
<td>2 Points</td>
</tr>
<tr>
<td>Ranked Among Bottom 50%</td>
<td>1 Point</td>
</tr>
</tbody>
</table>

Moreover, up to 5 bonus points will be given to students who write an essay reviewing any of the papers listed in the Optional Essay Instructions module in Canvas.

The essay should have 1.5 to 2 pages (regular margins and font size 12pt), with a summary of the paper of choice and a critical analysis of its conclusions. This assignment is due to the last day of classes (12/04) and should be delivered in a hard copy.

**Key Dates**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classes Start</td>
<td>Monday, August 26</td>
</tr>
<tr>
<td>Labor Day Holiday</td>
<td>Monday, September 2</td>
</tr>
<tr>
<td>Last Day to Add/Drop</td>
<td>Tuesday, September 3</td>
</tr>
<tr>
<td>Last Day to Drop with a DR Grade</td>
<td>Monday, November 4</td>
</tr>
<tr>
<td>Veterans Day Observed (No Classes)</td>
<td>Monday, November 11</td>
</tr>
<tr>
<td>Thanksgiving Holiday</td>
<td>Thursday, November 28</td>
</tr>
<tr>
<td>Thanksgiving break (No classes)</td>
<td>Friday-Saturday, November 29-30</td>
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<tr>
<td>Last Regular Class Day</td>
<td>Saturday, December 7</td>
</tr>
<tr>
<td>Finals Week (Required Class Meetings)</td>
<td>Monday-Saturday, December 9-14</td>
</tr>
<tr>
<td>End of Term</td>
<td>Saturday, December 14</td>
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**Economics Tutoring Center**

The Economics Department has provided a classroom designed to assist students enrolled in various economics courses. The Tutoring Center is located in VH 136, and is open Mon-Fri from 9:00 AM to 5:00 PM. Economics Ph.D. students are available during these times to help with any questions you may have.

**Academic Dishonesty**

Florida International University is a community dedicated to generating and imparting knowledge through excellent teaching and research, the rigorous and respectful exchange of ideas, and community service. All students should respect the right of others to have an equitable opportunity to learn and honestly to demonstrate the quality of their learning. Therefore, all students are expected to adhere to a standard of academic conduct, which demonstrates respect for themselves, their fellow students, and the educational mission of the University. All students are deemed by the University to understand that if they are found responsible for academic misconduct, they
will be subject to the academic misconduct procedures and sanctions, as outlined in the Student Handbook.

**Disability Resource Center**

If you have a documented disability and are a client of the FIU Disability Resource Center (DRC), please have the DRC send any pertinent information directly to my FIU email address so any necessary accommodations can be made in a timely fashion. The FIU Disability Resources Center strives to promote student success by working collaboratively with students, faculty and staff to create an inclusive educational environment. The university is committed to advancing students learning and enhancing personal development. Any information provided will be kept confidential. Please let me know if I can be of any assistance to you.

**Religious Observance**

Accommodations will be made for students who wish to observe their religious holidays. Students should make their requests known at the beginning of the semester during the first week of classes.