

# Principles of Microeconomics

ECON-200

ONLINE EDITION

**Professor Mary Hansen**

*Summer 2011: May 9-June 23*

*Relax!* Don't listen to what other people tell you about econ courses. Throw any negative previous experiences out the window. Ours is an immensely fun class. But it is an immensely busy one. In one short term, just a few brief weeks, you will learn the basics of economic analysis—and it will change the way you look at your world.

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## Instructional Goal for Course

*The goal of Principles of Microeconomics is to explore how an economist views the way people make choices, and to work through the implications of the economist's view. We will look at the choices of individuals and households, and we will look at the choices of firms and governments. We will develop a systematic way of describing how choices are made, and we will follow through with a systematic analysis of how choices change when circumstances change.*

Some of you might be so impressed by the economist's view of the world that you adopt it as your own. I did. Others of you might come to believe that the economist's view is hogwash. That's fine, too. The economist's view is one way to look at the world. It is not the only way. But, just as in your philosophy class you learn the tenets of philosophies that you might not espouse in order that you might be knowledgeable about others' perspectives, in Principles of Microeconomics you will learn about a view that influences the world around you.

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## **Specific Learning Objectives**

### Content:

Students will apply the logic of marginal analysis to the following situations:

- Competitive market equilibrium for a product or service
- Individual/household demand for a product or service
- Individual/household supply of labor
- A competitive firm's supply of a product or service
- A competitive firm's demand for an input
- A monopolist's pricing and output decisions

Students will use partial equilibrium analysis to explain the outcome (in terms of price and quantity) of the following situations:

- A change in determinants of demand
- A change in determinants of supply
- The imposition of a tax
- The imposition of a price control

Students will use welfare analysis to explain the outcome (in terms of efficiency and redistributive effects) of the following changes in circumstances:

- The imposition of a tax
- The imposition of a price control

*Each problem or exam question assesses student progress on one of the content objectives.*

### Skills:

Students will write clearly about the economic way of thinking and its applications.

*Group Q&A e-mails and exams assess student progress on this skill objective.*

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## Required Resources and Technology

We will be using N. Gregory Mankiw's *Principles of Microeconomics* in its interactive e-book format. The textbook and graded problem sets must be accessed through Aplia online.

To access Aplia, you need to register for an account. Aplia is part of CengageBrain, which allows you to sign in to a single site to access your Cengage materials and courses.

1. Connect to <http://login.cengagebrain.com/>
2. **If you already have an account, sign in.** From your Dashboard, enter your course key (**JGR4-WJHM-J6VU**) in the box provided, and click the *Register* button.

**If you don't have an account**, click the *Create a New Account* button, and enter your course key when prompted: **JGR4-WJHM-J6VU**. Continue to follow the on-screen instructions.

You can use the Aplia course (both e-book and problem sets) without paying until 11:59 PM on 05/20/2011.

There are two ways to purchase your access to the course (including the digital textbook):

- 1) Directly from the CengageBrain website for US\$90.00.
- 2) Purchase an access card to Aplia in the AU bookstore and follow the instructions. Use this option if you are paying with financial aid or Eaglebucks

If you would like to have a physical book, there are a lot of older editions of the textbook available in online bookstores for less than \$10. After paying for access to Aplia, you will also have the option to purchase a physical book from the Aplia website at a discounted price.

**Minimum technical requirements** and software needed to access course content include:

*Platforms:* Windows XP, Windows Vista, or Windows 7; Mac OS X

*Hardware:* 1 GB Ram, 1 GB Free Disk Space, Sound Card

*Internet Connection:* Broadband Recommended

*Browser:* Mozilla Firefox (Recommended) or Internet Explorer 7 or 8 (in compatibility mode)

*Software:* Blackboard, Wimba, Aplia (accessed through web browser; Java downloads may be required), Adobe Reader, MS Office or compatible word processor and spreadsheet program, Powerpoint reader, active e-mail account

**Special notes on Blackboard and e-mail:** Students must have regular, reliable access to AU's Blackboard site. Except for the text and problem sets on the Aplia site, all aspects of this course will be managed in Blackboard. Blackboard e-mails go to your AU e-mail address. If you do not check your AU e-mail daily, forward your AU e-mail to an account that you will check daily.

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### **Weekly Format and Time Commitment**

Our ONLINE format covers about three chapters per week. *Expect to devote about 6 hours per chapter.* (Note that 18 hours is the minimum you would spend on an in-person summer course: 6 hours of in-class time + 12 hours of out-of-class time.) *Each chapter has its own folder in Blackboard with links to what you will need.* We will cover each chapter in the same way:

- ✓ The “big idea” of each chapter is summarized in brief segments of “lecture” via video. View this first.
- ✓ After viewing the “big idea”, read the chapter in your e-book and do the graded end-of-chapter problem sets in Aplia. These problem sets reinforce definitions and check your ability to do relevant calculations properly. This is a good time to ask questions of your peers and of me; see the section of the syllabus on **Asking questions and getting answers.**
- ✓ After doing the problem sets in Aplia, view the presentation of example problems worked for you. This set of problems goes beyond definitions to applications. Again, ask questions. *Exam questions are based upon these types of problems.*

Because I want to leave you the freedom to arrange your schedule as you like, all course materials except exams are available to you throughout the term. *Problem sets for each week are due on Sundays at 11:45 p.m.* The material in later chapters builds on earlier chapters, so skipping is not recommended.

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## Exams

Exams follow a short-answer problem-solving format. The questions are similar to the problems worked in the presentations. .

Exams are not timed. The MIDTERM will available at 6 a.m. Monday, May 30, and is DUE by 11:45 pm. on TUESDAY, MAY 31. FINAL EXAM will be available at 6 a.m. Monday, June 20, and is due by 11:45 p.m. on THURSDAY, JUNE 23.

Resources allowed during exams: Mankiw textbook/e-book, Aplia resources, resources in the Blackboard course associated with this class, word processor, drawing accessory, spreadsheet program, calculator.

Resources NOT allowed during exams: Resources from any other hard-copy books or Internet sites, help from any other person.

Also: Do not quote from the textbook or from notes not authored by you. That is, *you must answer in your own words*.

The midterm covers Chapters 1-8 and 10-11. The final is cumulative.

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## Asking Questions and Getting Answers ONLINE

You will be assigned to a problem-solving group in Blackboard. These groups have two functions:

1. They give you the opportunity to hear explanations expressed in language other than mine or the book's.
2. They give you the opportunity to explain concepts in your own words.

When you have a question about the course material, first ask the other people in your group by e-mailing the group. Always use "reply all" when responding to group e-mails so that all responses will remain in the e-mail chain. If your group has not collectively answered the question within 48 hours, forward the entire e-mail chain to me. *Use Blackboard so that I will readily recognize the incoming mail as being course-related.* I will respond within 24 hours. I will not respond to questions that have not been posed to the group first; that is, you must forward the entire e-mail chain to me in order to receive a reply.

Problem solving groups may not be consulted during exams.

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## **Office Hours**

I will hold online office hours in a Wimba Classroom on Thursdays from 3-5 p.m. Eastern Time. There is a link and a reminder in each week's Course Materials in Blackboard.

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## **Grading**

Earn 35% of your course grade by completing the end-of-chapter problem sets in Aplia on time. You get three tries to answer the questions in the problem sets; only your best score counts. To account for the possibility of technical problems, during the course you may drop up to two of the end-of-chapter problem sets.

The midterm is 20% of your course grade. The format is short answer and problem-solving. The midterm is due by 11:45 pm. on Tuesday, May 31.

Earn 10% of your course grade by completing the Excel assignment in Week 5. This assignment is due by 11:45 on Sunday, June 12.

The final is 35% of your course grade. The final is cumulative. The format is short answer and problem-solving. The final exam is due by 11:45 p.m. on Thursday, June 23.

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## **Information on Student Evaluations of Teaching**

Near the end of the course, you will have the opportunity to evaluate this online class and your learning experience by completing an online Student Evaluation of Teaching. The evaluation contains the same set of questions used in assessing classroom-based courses, with the addition of four questions specifically applicable to online learning. As with any other face to face course, you are strongly encouraged to participate in this evaluation of your educational experience. A high participation rate is critical to AU's ability to continually improve and strengthen the quality of the University's learning opportunities.

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## **ECON-200 in General Education**

ECON-200 is a second-level general education course in Area 4. Please visit the General Education home page (<https://www.cas.american.edu/provost/gened/index.cfm>) for details about fulfilling Program requirements.

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## **Learning with Disabilities**

AU has excellent services for students with physical and learning disabilities. The Academic Support Center (<http://www.american.edu/ocl/asc/>) offers resources and consultations for all students, including those with learning disabilities and ADHD. Disability Support Services (<http://www.american.edu/ocl/dss/>) offers technical support for students with physical, medical or psychological disabilities.

If you qualify for accommodations because of a disability, please notify me in a timely manner with a letter from the Academic Support Center or Disability Support Services so that we can make arrangements to accommodate your needs.

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## **Academic Integrity**

Standards of academic conduct are set forth in the University's Academic Integrity Code. By registering for this course, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the code. Violations of the Academic Integrity Code will not be treated lightly, and disciplinary actions will be taken should violations occur; the standard sanction for violations is failure of the course.

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## Course Schedule

<b>Week (Date Week Starts)</b>	Topic (Chapters) and other notes including DUE dates. <i>Access links to course materials for each week using the left-hand toolbar in Blackboard.</i>
<b>1 (May 9)</b>	Intro to Aplia (graded), Math and Graphing Assessment (not graded); How economists think and what economists do (Chs.1-3).  All problem sets DUE by 11:45 pm Sunday, May 15. (submit in Aplia)
<b>2 (May 16)</b>	How markets work (Ch. 4); How to think about changes in markets (Chs. 5-6)  All problem sets DUE by 11:45 pm Sunday, May 22. (submit in Aplia)
<b>3 (May 23)</b>	How markets maximize benefits to households and firms (Ch.7); How some laws can reduce the benefits from markets (Chs. 8); How some laws an increase the benefits from markets (Chs. 10-11)  All problem sets DUE by 11:45 pm Sunday, May 29. (submit in Aplia)
<b>4 (May 30)</b>	<u>MIDTERM</u> available at 6 a.m. Monday and DUE by 11:45 pm. on TUESDAY, MAY 31. (submit in Blackboard)  Inside the household: Decisions people make all the time (Ch. 21)  Problem set DUE by 11:45 pm Sunday, June 5. (submit in Aplia)
<b>5 (June 6)</b>	Inside the firm: How it works with “perfect” competition (Chs. 13-14)  All problem sets DUE by 11:45 pm Sunday, June 12. (submit in Aplia)  Excel assignment DUE by 11:45 pm on SUNDAY, June 12. (submit in Blackboard)
<b>6 (June 13)</b>	Inside the firm: How it works when there is only one firm or when brands matter (Chs. 15-17); The markets for factors of production for labor, the determination of wages, and wage/income inequality (Ch. 18-19)  All problem sets DUE by 11:45 pm Sunday, June 19. (submit in Aplia)
<b>7 (June 20)</b>	<u>FINAL EXAM</u> available at 6 a.m. Monday due by 11:45 p.m. on THURSDAY, JUNE 23. (submit in Blackboard)