

ECON E201
Introduction to
Microeconomics
Fall, 2008



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COURSE PREREQUISITES: Sophomore standing, and MA 153 or placement beyond MA 153. (NOTE: Under the policies of the School, prerequisites will be strictly enforced.)

TEXTS: 1. Microeconomics, David C. Colander, 7th edition (2008)
2. The Student Workbook is to accompany Colander's microeconomics text.

COURSE OBJECTIVES: This course introduces the student to basic economic concepts, principles, and analytical techniques necessary for understanding and evaluating the market economy. It also enables the student to differentiate between the fundamental economics principles that are market driven and those that are centrally planned. Embodied in the nature of microeconomics is the study of constrained choice optimization. This theme is introduced within the context of consumer choice and firm decision making. The evaluation of decision-making within firms is based on the level of competition firms are faced in the market. Specifically, pricing and output choices of the competing firms are discussed with the added emphasis and condition of mutual interdependence. Additionally, firms with more market power have specific welfare implications that create a need for legal and regulatory constraints. Finally, the student will gain an appreciation of global issues in microeconomics. The welfare implications of a free vs. restricted practice of international trade are also developed using the principle of comparative advantage.

TOPICAL OUTLINE

Topic	Assignment
Introduction to the course and to the subject of economics (selected topics)	Introduction & Chapter 1
The problem of scarcity, opportunity cost, production possibilities, and the economizing problem	Chapter 2 (pp. 23 to 30)
Economic Institutions: Socialism vs. Capitalism and the evolving U.S. economy	Chapter 3 (pp. 53 to 69)
Engine of capitalism and the circular flow models	Class Lecture
Demand, supply, and market equilibrium	Chapter 4
Dynamics of the competitive market equilibrium, its limitations, and the role of government (selected topics)	Chapter 5
Group learning activity	(to be announced in class)
Elasticity of demand	Chapter 6 (selected topics)
Review and class discussion	(related sections)
➤ EXAM 1	
Production and costs in short run	Chapter 9
Foundations of producer decision, efficiency, and long-run costs	Chapter 10
Group learning activity	(to be announced in class)
Perfect competition in short run	Chapter 11 (pp. 238 to 250)
Perfect competition in long run	Chapter 11 (page 250 to the end of the chapter)

Topic	Assignment (related sections)
Group Learning and Review	
➤ EXAM 2	
Monopoly	Chapter 12
Monopoly vs. perfect competition and regulated monopolies	Class lecture
Group learning activity	(to be announced in class)
Monopolistic competition	Chapter 13 (pp. 282 to 288)
Oligopoly	Chapter 13 (page 288 to the end of the chapter)
Group learning activity	(to be announced in class)
An introduction to globalization	Chapter 3 (pp. 69 to 72)
International trade, Comparative advantage and demonstration of gains from trade	Chapter 21, Lecture, and Chapter 2 (pp. 30 to 40)
➤ FINAL EXAM (semi-comprehensive)	

Examinations and Grading Procedures

Your course grade will depend upon three examinations and your class/group participation as follows:

Two (2) exams, each.....	30%
One Final (semi-comprehensive).....	30%
Group participation and class discussions.....	10%

Each exam will consist of 50 multiple-choice questions worth 2 points each. Final grades will be determined according to the standard university scale (i.e., 90-100% = A, 80-89% = B, 70-79% = C, and so forth).

Make-up exams will be arranged only under extraordinary circumstances. Make-up exams are

given at my discretion and may be essay exams to be taken **prior to** the next scheduled exam.

Exam questions are designed to test your **understanding** of the economic concepts and principles presented in class. Success in this class will be **primarily** a function of understanding, **not memorization!** The exams will require more than recall—they will also require application and analysis. Economics is often described as a way of thinking, and success in this course requires such thinking. Group learning activities and class discussions are designed to aid you in accomplishing this task; i.e., to help you **think and apply like an economist**

Students will be involved with in-class group activities. Group activities are intended to enhance your understanding of economic concepts, problem solving ability, and aid you to better communicating with economic jargon. Your contribution to the group learning is essential and part of your grade will depend on the evaluation by your peers.

Additional Information

1. The topical outline presented in this syllabus is my estimate of how the course will proceed. Should we proceed other than estimated, course content and exam coverage will be appropriately adjusted.
2. Textbook reading assignments are a good source of preparation for class lectures, discussions, and activities. Good notes are in part a product of proper preparation. Since no textbook is without errors, read the text carefully. Feel free to ask me about anything in the text, which seems confusing and/or erroneous.
3. Feel free, any time in class, to ask questions about the material presented.
4. Specific assignments will be given for in-class group learning activities. The maximum benefit will be attained if the work is shared and not divided. I will stand ready to answer all your questions and help you with your teamwork.
5. If you have or acquire a disability and would like to find out what special services and accommodations may be available to you, contact Services for Students with Disabilities in Walb Union Rooms 118 and 125 (260-481-6657, voice/TTY).
6. Class attendance is mandatory. Points will be deducted for absenteeism.
7. The dates and coverage of each examination will be announced at least one week in advance.
8. E-Mail: rassuli@ipfw.edu Please do not communicate via Web CT or Vista.
9. Office hours are Tuesdays from 10:30-12:00. Other times are available by appointment.