Course Syllabus
Economics 110-01: Principles of Microeconomics, Fall 2015
California State University, Channel Islands
Instructor: Z. John Lu, PhD

Office: Sage Hall 2151
Phone: 805.437.2058 (direct)
E-mail: john.lu@csuci.edu

Class number: 1109
Class time: T/TH 12:00 – 1:15 pm
Office hours: T 10:30 – 11:30 am, and if by apt., T 1:15 – 2:00 pm
Class location: Bell Tower 1462
Course website: http://blackboard.csuci.edu

Exam 1: Thursday, September 17, in-class
Exam 2: Thursday, October 15, in-class
Exam 3: Tuesday, November 10, in-class
Final exam: Tuesday, December 8, 10:30 - 12:30 pm

Required text: N. Gregory Mankiw, “Principles of Microeconomics” (6th Ed.) (South-Western Cengage Learning)

Chapters Covered: Chap 1, 2, 4-6, 7, 8, 10, 11, 13-17.

Grading System:

Your grade for the course is based on homework (4) and exams (4) in the following way:

<table>
<thead>
<tr>
<th>Task</th>
<th>Percent of grade (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(ie., weight)</td>
</tr>
<tr>
<td>Homework assignments (4)</td>
<td>32</td>
</tr>
<tr>
<td>Exam 1</td>
<td>16</td>
</tr>
<tr>
<td>Exam 2</td>
<td>16</td>
</tr>
<tr>
<td>Exam 3</td>
<td>16</td>
</tr>
<tr>
<td>Final</td>
<td>20</td>
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The following is a general guideline for determining the final course grade, based on the sum of the weighted percentage from each of the items above:

If total weighted sum is                               Likely final grade is
< 60%                                                   F
60% to < 70%                                             D
70% to < 80%                                             C
80% to < 90%                                             B
90% and above                                            A
Note that +/- grades are allowed in this course. Also, although class attendance and participation is not mandatory (unless specifically noted ahead of time), consistent attendance and class participation can help your grade if you are on the borderline between two grades. For example, if you are at the cutoff between a B-/C+, regular class participation may boost your grade to a B- relative to someone who does not attend or participate regularly.

Course overview

Microeconomics is the study of how individual consumers and producers make “rational” decisions and how they interact in markets. This course introduces you to the fundamentals of microeconomic principles; examines their applications to the decisions of both consumers and producers; and evaluates the consequences of those decisions for society as a whole. Additionally, it discusses the role of government and the potential impact of public policies (in particular the taxation system in the US) on the behavior of consumers and producers. One point worth noting here: Because economics studies human behavior which is inherently multi-dimensional, the concepts and tools employed by economists should be evaluated as a component (but NOT the component) of the total understanding of how people make decisions.

This course will cover the following five main topics:

- Introduction to economics, principles and fundamental axioms in economics
- How markets work: supply, demand, elasticity and government policies
- Efficiency of Markets and Welfare: theory and application
- Theory of Externalities and Public Goods: role of government
- Introduction to industrial organization: costs of production, competitive firms, monopoly

Program Learning Goals: These are the skills we try to help all students build in all MVS courses.

1. Critical Thinking
2. Oral Communication
3. Written Communication
4. Collaboration
5. Conduct (Ethics)
6. Competency in Discipline

Course Learning Outcomes: It is expected that you will complete this course understanding how and why economics is important, useful and relevant to everyday decisions in a wide variety of situations. Specifically, it is hoped that you will be able to

- Identify and distinguish positive and normative methods of economic analysis. (Corresponding to program learning goals 1, 4, 6)
- Apply the concept of marginal analysis in optimization decisions faced by economic participants. (firms, consumers, workers, etc.) (1-3, 6)
• Employ economic tools to real-world situations, and generate logically consistent arguments regarding efficiency, welfare, and the impact of key public policies. (1, 3, 6)

• Distinguish various concepts of economic costs and their relevance to a firm’s decision making. (1-3, 6)

• Identify circumstances where markets may fail and anticipate likely outcomes of such failures, and evaluate government solutions to market failures. (1 – 3, 5, 6)

• Extend learned economic reasoning to other (seemingly non-economic) issues. (1-4, 6)

Exams

There are 3 midterm exams (16% each) and a final exam (20%) in this course. They are scheduled 3-4 weeks apart. The exact dates are provided at beginning of the syllabus, on page 1.

The midterm exams are given during the 2nd half of the lecture, on the day they are scheduled. Each exam will take about 50 minutes. On each exam day, the first 15-20 minutes of class will be used to go over some more difficult problems in the homework set due on that day (more on this in the next section).

All exams in this course are closed book.

Mark the exam dates down on your calendar – make arrangement at work, home, or anywhere else so you will be able to make to all the exams. There will be NO make-up exams.

• You will be at an increased risk for failing the class if you miss one exam without an approved, valid excuse, and almost certainly if you miss two.

• Significant medical reason(s) for missing exam(s) would require a signed physician note with a phone number for me to follow up.
  o Simply being under the weather is not a valid excuse.
  o Work related travel, family vacation, or wedding is not a valid excuse, as I give you plenty of time to plan ahead.
  o Car trouble on the day of exam is generally not a valid excuse. If you have an unreliable car, I suggest you find a classmate who could ride share with you on the day of exam.

• Students with valid reason(s) for missing an exam will see the weight double for the next exam increase. For example, if you miss Exam #2, your weight for Exam #3 will be 32% (16% from Exam #2 + 16% from Exam #3)

Each exam will cover materials instructed between the last exam and the last lecture before the said exam (unless otherwise announced). The Final will be somewhat cumulative, but weighted more toward materials after Exam #2.

Format of exams includes multiple choices and T/F matching, and short essay questions (the % of points coming from essay questions will vary somewhat with each exam, but generally the mix is 2/3 and 1/3). It is important to note that at least some questions assigned as part of homework may appear in the exams as well. More on this in the next section.
Homework assignments

There will be a total of four (4) homework sets in this course. The due date for each HW is the same date of each exam, to help you synchronize your studying with exam preparation. The only exception is the last one, which is due on December 3 (Thursday), during our last lecture of the semester.

HW is an important component of your final grade, weighing 8% each as compared to 16% for each exam. Each HW set covers multiple chapters, and questions will be assigned well ahead of due date. To do well in the class, it is essential you complete the assigned questions in each chapter not long after it is covered in class. During some lectures I may go over 1 or 2 difficult questions in class - I may call on individuals to explain their answers in class from time to time.

Please turn in your assignments at class time or in the Digital Drop Box under the Course Tools link prior to class time on the due date (with an email notification to me ahead of time). Late homework will not be accepted. If you cannot finish in time, hand in what you have completed for partial credit. If you know that you will be out of town or otherwise unavailable when the assignment is due, you must submit it early.

I highly recommend that you turn in the hardcopy for homework, instead of relying on the Drop Box. If you must submit it electronically, please make sure your file is PC compatible—if I cannot open it with my CSUCI office PC, then the assignment will be considered “not turned in”.

You are encouraged to work in groups to complete the homework assignments. However each student must submit his/her own answers to each problem set. Homework assignments are graded based on accuracy, completeness and effort; quality of exposition and professionalism of presentation may count for as much as 25% of your score. For this reason, I encourage you to submit the homework typed. Please draw graphs clearly and show steps before final answers.

Feel free to seek help for your homework from me. You are also encouraged to visit the Academic Tutoring Center here on campus (inside the library). The service is free, and it is staffed with senior level students in economics. Students from my pervious classes have almost universally given the service high marks.

Answers to the homework problems will be posted on the website after the due date under the Course Documents folder.

Cheating

Don't cheat. If I catch you cheating during an exam, you will receive an F for the exam. Any case of cheating will be referred to Judicial Affairs. Working with fellow students on homework assignments, however, is not cheating and is encouraged.

To minimize the temptation, no electronic devices other than simple calculators will be allowed during exams.

Advice on studying

- *Read the Book*: For this course, the text will be the most valuable source of information and clarification. Ideally, read it before lecture and read it again afterwards. You will learn faster and deeper this way.
• **Attend the Lectures:** Attendance is expected. Although lecture notes (PowerPoint slides) will be posted online, they can never take the place of active, in-classroom learning. Missing class means missing valuable discussion, clarification, solving example questions, and information regarding assignments.

• **Do the Work:** Like anything else in life, *Practice Makes Perfect.* "Practice" means reading the assigned chapters completely, working out the assigned questions diligently, and seeking timely help from the instructor, the tutors or classmates.

   *Observe the Real World:* Read the business sections of the *Los Angeles Times, the New York Times, or other leading national newspapers.* Want more challenging readings? Read the *Wall Street Journal and the Economist.* All are available at the library.

• **Note:** While I will keep the use of mathematical equations and models to a manageable level, the ability to manipulate algebraic equations and a good knowledge of basic geometry is essential for the successful completion of this course. I strongly advise you to polish up your algebra and basic geometry for this course.
Topics and *Estimated Timelines (subject to change at any time during the semester)*

There are a total of 29 lecture periods (No class on Thursday, Nov. 26).

<table>
<thead>
<tr>
<th>Date</th>
<th>Lecture Topics</th>
<th>Watch out for</th>
</tr>
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<tbody>
<tr>
<td>August 25, August 27</td>
<td>Syllabus, Chap 1 and Chap 2</td>
<td>HW#1</td>
</tr>
<tr>
<td>September 1, 3</td>
<td>Chapter 4</td>
<td>HW#1</td>
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<tr>
<td>September 8, 10</td>
<td>Chapter 5</td>
<td>HW#1</td>
</tr>
<tr>
<td>September 15</td>
<td>Review (Chap 1, 2, 4, 5)</td>
<td>HW#1</td>
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<tr>
<td>September 17</td>
<td>Exam 1 (Chap 1, 2, 4, 5)</td>
<td>Exam 1; HW#1 due</td>
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<tr>
<td>September 22, 24</td>
<td>Chapter 6</td>
<td>HW#2</td>
</tr>
<tr>
<td>September 29, October 1</td>
<td>Chapter 7</td>
<td>HW#2</td>
</tr>
<tr>
<td>October 6, 8</td>
<td>Chapter 8</td>
<td>HW#2</td>
</tr>
<tr>
<td>October 13</td>
<td>Review (Chapter 6, 7, and 8)</td>
<td>HW#2</td>
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<tr>
<td>October 15</td>
<td>Exam 2 (Chapter 6, 7, and 8)</td>
<td>Exam 2; HW#2 due</td>
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<tr>
<td>October 20, 22</td>
<td>Chapter 10</td>
<td>HW#3</td>
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<tr>
<td>October 27, 29</td>
<td>Chapter 11, Chapter 13</td>
<td>HW#3</td>
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<tr>
<td>November 3, 5</td>
<td>Chapter 13, Review (Chapter 10, 11, and 13)</td>
<td>HW#3</td>
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<tr>
<td>November 10</td>
<td>Exam 3 (Chapter 10, 11 and 13)</td>
<td>Exam 3; HW#3 due</td>
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<tr>
<td>November 12</td>
<td>Chapter 14</td>
<td>HW#4</td>
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<tr>
<td>November 17, 19</td>
<td>Chapter 14, 15</td>
<td>HW#4</td>
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<tr>
<td>November 24</td>
<td>Chapter 15</td>
<td>HW#4</td>
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<td>November 26</td>
<td>Thanksgiving Day; no class</td>
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<tr>
<td>December 1, 3</td>
<td>Chapter 16, Chapter 17 (time permitting)</td>
<td>HW#4 due</td>
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<tr>
<td>December 8</td>
<td>Final Exam 10:30-12:30 pm</td>
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