

# RUTGERS

Rutgers University – New Brunswick

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| <b>Course</b>            | Introduction to Microeconomics   |
| <b>Course No.</b>        | 01:220:102:11  |
| <b>Semester</b>          | Fall 2017  |
| <b>Class sessions</b>    | Tuesday and Thursday, 2:50 to 4:10 PM, Academic Building, Room 4225, CAC   |
| <b>Lecturer</b>          | Alex Hohmann   |
| <b>Email address</b>     | <a href="mailto:hohmann@economics.rutgers.edu">hohmann@economics.rutgers.edu</a>   |
| <b>Office hours</b>      | Monday 1:00 to 2:00 PM, Thursday 8:30 to 9:30 AM, or by appointment<br>New Jersey Hall, Room 103, CAC  |
| <b>TAs</b>               | Jaeheon Jung, NJ Hall, Room 423, Tuesday 8:00 to 11:00 and Wednesday 10:00 to 12:00<br>Benda Yin, NJ Hall, Room 305, Wednesday 8:00 to 10:00 and Friday 8:00 to 11:00  |
| <b>Sakai site</b>        | <a href="https://sakai.rutgers.edu/portal/directtool/adf69516-120d-47fd-bb2e-3c5d71b59ff5">https://sakai.rutgers.edu/portal/directtool/adf69516-120d-47fd-bb2e-3c5d71b59ff5</a>  |
| <b>Prerequisites</b>     | Pre-calculus (01:640:111, 112 or 115) or calculus placement  |
| <b>Final exam</b>        | <b>December 15, 2017, 8:00 to 11:00 AM, location to be announced</b><br>See <a href="https://scheduling.rutgers.edu/scheduling/exam-scheduling">https://scheduling.rutgers.edu/scheduling/exam-scheduling</a> for policies and schedule.   |
| <b>Learning outcomes</b> | Students will learn: <ol style="list-style-type: none"><li>1. Basic economic concepts including opportunity costs, scarcity, positive and normative economics</li><li>2. How to analyze production possibilities of firms and countries, the sources of their comparative advantages, and gains from trade</li><li>3. How to use the supply and demand model to understand how markets work</li><li>4. How elasticity is calculated and its relevance to understanding markets</li><li>5. How to analyze consumer behavior with respect to decisions about consumption, savings and employment</li><li>6. How to analyze decisions firms make about pricing, output, employment and investment</li><li>7. How to analyze the behavior of firms in alternative market structures including perfect competition, monopoly, monopolistic competition and oligopoly</li><li>8. How to apply basic game theory to strategic interaction between companies and individuals</li><li>9. How to use the concepts of equity, efficiency, and market failure to analyze and evaluate government policies such as price floors and ceilings, tax policy, environmental policy, etc.</li><li>10. How to apply economic concepts and ideas to situations not specifically covered in class</li></ol> |

**Required reading** “Microeconomics” (loose-leaf edition) with LaunchPad, Paul Krugman and Robin Wells, 2015, 4th edition, Worth, ISBN-13: 978-1-319-03245-6 . Your purchase includes an access key to LaunchPad, the web site you will use for homework assignments, access to the electronic version of the text, and study aids. Follow the instructions on Sakai under “Resources/Syllabus and instructions” to create your account. When registering, you must provide your alphanumeric NetID (not your nine-digit RUID) so your homework scores on LaunchPad can be credited to you. Failure to do so will result in no credit for any homework completed. If you buy a used copy of the book, you will still need to buy a license for LaunchPad. Alternatively, you can choose to purchase LaunchPad only and use the e-text version of the book on the site to save money.

**Assessment** You will have the following opportunities to earn points towards a total score:

|                    |     |
|--------------------|-----|
| Homework           | 16% |
| First exam         | 28% |
| Second exam        | 28% |
| Third (final) exam | 28% |

Exams must be taken as scheduled and will cover all material covered in lecture, assigned from the text, or posted to Sakai. Coverage for the exams will be announced in class.

Homework assignments will be done in LaunchPad, their availability and due dates being announced in class and posted on Sakai Calendar. You must submit them by the deadline and must have provided your NetID on LaunchPad when you first signed up to receive credit. There will be no exceptions to these requirements. No extensions to deadlines will be given under any circumstances.

Under no circumstances will extra-credit work or opportunities to redo past work be offered. Every student will have exactly the same opportunity to score points.

**Final grades** Your final letter grade for this course will be based exclusively on your total score using the following tentative grading scale:

|    |                   |
|----|-------------------|
| A  | 90 to 100 points  |
| B+ | 85 to 89.9 points |
| B  | 80 to 84.9 points |
| C+ | 70 to 79.9 points |
| C  | 60 to 69.9 points |
| D  | 50 to 59.9 points |
| F  | 0 to 49.9 points  |

This scale will be adjusted as circumstances—such as the overall class score distribution—warrant. Final grades are not subject to negotiation or requests for extra opportunities after total points have been earned and grades posted. Failure to meet a cutoff for a grade means that grade has not been earned. Finally, out of respect for your privacy, I cannot discuss grades over email. If you have a question, please see me during office hours.

- Make-up exams** Exams are to be taken only on the days they are scheduled (see schedule below). Any missed exam will earn a grade of zero points. The only exceptions to this, and granted only with documentation to prove it and then only at my discretion, will be for critical issues such as a medical emergency. If this is the case, I need to be notified before the exam. Vacation, travel and other elective absences are not excuses for missing an exam or assignment. If permitted, make-up exams can only be taken during the one session per week offered by the Economics Department, without exception.
- Academic integrity** Familiarize yourself with the university's policy on academic integrity: <http://academicintegrity.rutgers.edu/academic-integrity-policy/>  
I will not hesitate to enforce the policy at any sign of a violation of it.
- Absence reporting** Students are expected to attend all classes. If you expect to miss more than one or two classes because of illness or a family emergency, use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate the date and reason for your absence. However, doing so does not excuse you from completing work assigned in this course. The policies mentioned under the heading *Make-up exams* still apply.
- Accommodations** It is the responsibility of any student needing accommodation for a disability to seek that accommodation through the procedures and guidelines set by the Office of Disability Services (<https://ods.rutgers.edu>).
- Classroom behavior** In order to make the most of the short time we have to cover a lot of material, it will be important to respect that time and to avoid distractions. Do not use cell phones, listen to music, eat and drink, carry on conversations with others, do work for other classes, sleep, arrive late, leave early, or otherwise distract me and your classmates.
- Photography, audio recording, and video recording in class are expressly prohibited. Laptops are not permitted for a few reasons: Not only do they create a distraction for me and the students around you, there is research to show that students who use laptops for note taking absorb and retain lecture material less effectively than those who take handwritten notes. Furthermore, economics relies heavily on graphical analysis such that paper and pencil are the most effective way of taking notes. If you have a documented disability that requires the use of a laptop or recording device, please see me first.
- Keys to success** Lectures will include real-world as well as abstract scenarios to illustrate the concepts being covered and will frequently include material not found in the text book. Additional required readings will be posted to Sakai, usually before the relevant lecture on that topic. You will get the most out of lectures by reading the text ahead of the date on which that topic will be covered, thus allowing you to participate actively in class as opposed to simply taking notes. I will not upload actual lecture notes to Sakai nor will I email them to you. It is your responsibility, after all, to take notes in class as you find necessary.
- All material you are exposed to will serve as the basis for your evaluation in this course. Therefore, you will succeed in proportion to your use of the resources available to you. If you are not fully engaged in the lectures, don't read the text before lectures, don't ask questions in class or during office hours, or don't fully use LaunchPad, don't read the required readings on Sakai, your performance in this course will suffer.

## Schedule

This is a tentative schedule and therefore subject to change. I will notify you in class and on Sakai of any changes. Readings in addition to the textbook will be posted to Sakai. Exam coverage will be announced in class several days before each scheduled exam.

| Week   | Date     | Topics   | Chapters                    |
|--------|----------|--|-----------------------------|
| 1      | 09/05/17 | Core concepts and principles                         | Intro. and 1                |
| 1      | 09/07/17 | Scarcity and trade-offs                              | 2                           |
| 2      | 09/12/17 | Transactions and graphical analysis                  | 2 (cont.) and Appendix to 2 |
| 2      | 09/14/17 | Supply and demand                                    | 3                           |
| 3      | 09/19/17 | Consumer and producer surplus                        | 4                           |
| 3      | 09/21/17 | Price controls and quotas                            | 5                           |
| 4      | 09/26/17 | Elasticity   | 6                           |
| 4      | 09/28/17 | Taxes  | 7                           |
| 5      | 10/03/17 | Economics of decision making                         | 9                           |
| 5      | 10/05/17 | <b>First exam</b> (coverage to be announced)         |                             |
| 6      | 10/10/17 | Utility and consumption                              | 10                          |
| 6      | 10/12/17 | Indifference and preferences                         | Appendix to 10              |
| 7      | 10/17/17 | Production decisions                                 | 11                          |
| 7      | 10/19/17 | Production decisions (cont.)                         | 11                          |
| 8      | 10/24/17 | Perfect competition                                  | 12                          |
| 8      | 10/26/17 | Monopoly   | 13                          |
| 9      | 10/31/17 | Monopoly (cont.), Oligopoly                          | 14                          |
| 9      | 11/02/17 | Oligopoly (cont.)                                    | 14                          |
| 10     | 11/07/17 | Monopolistic competition                             | 15                          |
| 10     | 11/09/17 | <b>Second exam</b> (coverage to be announced)        |                             |
| 11     | 11/14/17 | Monopolistic Competition (cont.)                     | 15                          |
| 11     | 11/16/17 | Externalities  | 16                          |
| 12     | 11/21/17 | Externalities (cont.)                                | 16                          |
| 13     | 11/28/17 | Public goods   | 17                          |
| 13     | 11/30/17 | Public goods (cont.)                                 | 17                          |
| 14     | 12/05/17 | Poverty, income inequality, and public policy        | 18                          |
| 14     | 12/07/17 | Production inputs                                    | 19                          |
| 15     | 12/12/17 | Labor markets  | 19                          |
| Finals | 12/15/17 | <b>Third (final) exam</b> (coverage to be announced) |                             |

**Student  
wellness  
services**

**Just in Case** web app  
for a mental health crisis for you or a friend  
<http://codu.co/cee05e>

**Counseling, ADAP & Psychiatric Services (CAPS)**  
for non-emergency psychological health issues  
(848) 932-7884  
17 Senior Street, New Brunswick, NJ 08901  
<http://www.rhscaps.rutgers.edu/>

**Violence Prevention & Victim Assistance (VPVA)**  
(848) 932-1181  
3 Bartlett Street, New Brunswick, NJ 08901  
<http://www.vpva.rutgers.edu/>

**Office of Disability Services**  
(848) 445-6800  
Lucy Stone Hall, Suite A145, Livingston, 54 Joyce Kilmer Avenue, Piscataway, NJ 08854  
<https://ods.rutgers.edu/>

**Scarlet Listeners**  
for confidential peer counseling and referral hotline  
(732) 247-5555  
<http://www.scarletlisteners.com>