

# Economics 217: Principles of Microeconomics

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*You want to have a scarce factor of production that is complementary to something that is ubiquitous and cheap.* –H. Varian

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<b>Classroom</b>	BBH 129 (section 1)	
<b>Class Times</b>	January 9, 2015 – April 27, 2015	
	MWF	11:00 am – 11:50 am
<b>Exam Dates</b>	Exam 1	Wednesday, February
	Exam 2	Wednesday, March
	Exam 3	Wednesday, April
<b>Instructor</b>	Richard Schwinn	
<b>Contact Info.</b>	r-schwinn@neu.edu & (773) 442-5699	
<b>Notable Dates</b>	January 19	Martin Luther King, Jr.'s Birthday Holiday
	February 12	Lincoln's Birthday Holiday
	March 16-22	Spring Recess
<b>Office</b>	BBH 207	
<b>Office Hours</b>	MW	12:30 pm – 2:30 pm
<b>Texts</b>	• Gregory Mankiw's <i>Principles of Microeconomics</i> is required. You may use the 6 <sup>e</sup> or 7 <sup>e</sup> . These editions are virtually identical for our purposes. Used versions are currently available for \$14.99 on amazon.com. Ebooks are acceptable.	
	• Walter Block's <i>Defending the Undefendable</i> is required and can be found in the bookstore or for free online.	
	• Bring an exponent capable calculator to every class.	
<b>Webpage</b>	<a href="http://neuport.neiu.edu">http://neuport.neiu.edu</a> (follow the desire2learn link)	

## POLICIES

Academic Integrity	Students are expected to adhere to university policies regarding student conduct at the risk of penalty. Any in-class behavior that directly disrupts the learning of another student is prohibited.				
Assessment	Assignments+ Attendance 25% + 10% A [100-90%] B (90-80%]	+ Exams C (80-70%]	+ Paper + 45%	-> Grade + 20% = 100% D (70-60%) F (60-00]	
Assignments	(Max: 25%) Assignments are due via the NEIU Desire2Learn website. See the attached handout for more information.				
Attendance	(Max: 10%) Attendance and participation are taken into account. Each student begins with the full 10%. If a student is not present when I call their name in class, I deduct 1% from their participation grade. Each student is allowed up to three class exemptions.				
Extra Credit	Extra credit in the form of “bonus points”, for participation in discussions and solutions to in-class problems and team challenges, will be offered generously throughout every lecture. Each bonus point is 0.1% of your final grade. Bonus points earned via regular participation may increase one’s grade by as much as a full letter grade.				
Exams	(Max: 45%) There will be 3 non-cumulative exams worth 15% each for a total of 45% of your final grade.				
Paper	(Max: 20%) Each student will write a 4-page paper. The paper requirements are described in the attached handout.				

## PROPOSED SCHEDULE

<i><b>Days</b></i>	<i><b>Dates</b></i>	<i><b>Topics and Events</b></i>
Monday	1/5/14	
Wednesday	1/7/14	Review Syllabus & Study Skills
Friday	1/9/14	
Monday	1/12/14	
Wednesday	1/14/14	Mankiw 2: Thinking like an Economist
Friday	1/16/14	
Monday	1/19/14	
Wednesday	1/21/14	Mankiw 3: Interdependence and the Gains from Trade
Friday	1/23/14	
Monday	1/26/14	
Wednesday	1/28/14	Mankiw 4: Market Forces of Supply & Demand
Friday	1/30/14	
Monday	2/2/14	Mankiw 5: Elasticity and Its Application
Wednesday	2/4/14	<i><b>Exam One</b></i>
Friday	2/6/14	
Monday	2/9/14	
Wednesday	2/11/14	Mankiw 6: Supply, Demand, and Government Policy
Friday	2/13/14	
Monday	2/16/14	
Wednesday	2/18/14	Mankiw 7: Consumers, Producers, and the Efficiency of Markets
Friday	2/20/14	
Monday	2/23/14	
Wednesday	2/25/14	Mankiw 10: Externalities
Friday	2/27/14	
Monday	3/2/14	
Wednesday	3/4/14	Mankiw 11: Public Goods and Common Resources.
Friday	3/6/14	
Monday	3/9/14	
Wednesday	3/11/14	Mankiw 12: Taxation
Friday	3/13/14	
Monday	3/16/14	
Wednesday	3/18/14	Spring Recess
Friday	3/20/14	
Monday	3/23/14	
Wednesday	3/25/14	Mankiw 13: The Costs of Production
Friday	3/27/14	
Monday	3/30/14	
Wednesday	4/1/14	Mankiw 14: Firms in Competitive Markets
Friday	4/3/14	
Monday	4/6/14	
Wednesday	4/8/14	Mankiw 15: Monopoly for Fun and Profit
Friday	4/10/14	
Monday	4/13/14	
Wednesday	4/15/14	Mankiw 16: Monopolistic Competition
Friday	4/17/14	
Monday	4/20/14	
Wednesday	4/22/14	Mankiw 17: Oligopoly Games
Friday	4/24/14	
Monday	4/27/14	<i><b>Submit Final Paper</b></i>

## COURSE OBJECTIVES

By the end of this course you will:

- know how scarcity influences choices.
- understand why Economics is a science.
- be able to explain the law of demand and the law of supply.
- understand the difference between a change in demand (supply) and a change in quantity demanded (supplied).
- understand how a change in demand or a change in supply influences equilibrium price and quantity.
- understand the essential features of the price system.
- understand the economic impact of price ceilings and price floors.
- understand the economic impact of market failures.
- understand why diminishing marginal utility exists.
- understand how a consumer goes about maximizing utility.
- be able to compute the elasticity of demand for a product.
- be able to use income elasticity to determine whether a good is inferior or normal.
- know the characteristics of a competitive, monopolistic, monopolistic competitive and oligopolist market structures.
- know the main organizational forms of business.
- know the advantages and disadvantages of the main organizational forms of business.
- know the difference between the long-run and the short-run from a firm's standpoint.
- understand why the marginal physical product declines when a variable input is added to fixed inputs.
- describe the short-run and long-run cost curves a firm faces.
- identify when economies of scale or diseconomies of scale exist.
- identify the characteristics of the four market structures.
- determine how the profit maximizing quantity is determined in each of the four market structures.
- determine how the profit maximizing price quantity is determined in each of the four market-structures.
- know short-run and long-run profit possibilities in each of the four market structures.
- know when firms will enter or exit the industry in each of the four market structures.

## PROJECT GUIDELINES

TASK	<ol style="list-style-type: none"><li>1) You are to read the book <i>Defending the Undefendable</i> by Walter Block.</li><li>2) Choose one of the main sections (Medical, Free Speech, Outlaw, Financial, Business, Ecology, Labor, etc.) and write a 4-6 page paper that:<ol style="list-style-type: none"><li>a) Outlines the book's arguments for changes in policy and</li><li>b) Elaborates on the topics and identify opposing viewpoints (not necessarily limited to those described in the book).</li></ol><p style="text-align: center;"><i>Be sure that you clearly state why these viewpoints are interesting or controversial. You need not agree with the author's analysis. You may also use your paper to offer an alternative explanation of the content (theory).</i></p></li><li>3) EXTRA CREDIT: A maximum of one student per week will be awarded extra credit for presenting their paper to the class on Friday. In order to qualify, you must complete your paper and present it to me on the Wednesday before you are to read it to the class.</li></ol>
AUDIENCE	Your audience is the class. Do your best to explain everything in terms that they will understand.
FORMAT	<p>The paper should:</p> <ul style="list-style-type: none"><li>• Include page numbering and consistent formatting for all fonts, charts, tables, margins, etc.</li><li>• Be a minimum of 4 double spaced pages and no longer than 7 pages</li></ul> <p>Please submit final papers using the D2L Dropbox. See the attached handout for instructions.</p>

## PAPER EVALUATION CRITERIA

POINTS	(50) CONCEPTUAL	(10) THESIS	(20) DEVELOPMENT & SUPPORT	(10) STRUCTURING	(10) LANGUAGE
100%	50 has cogent analysis, shows command of interpretive and conceptual tasks required by assignment and course materials: ideas original, often insightful, going beyond ideas discussed in lecture and class	10 essay controlled by clear, precise, well-defined thesis: is sophisticated in both statement and insight	20 well-chosen examples; persuasive reasoning used to develop and support thesis consistently: uses quotations and citations effectively; causal connections between ideas are evident	10 appropriate, clear and smooth transitions; arrangement of paragraphs seems particularly apt	10 uses sophisticated sentences effectively; usually chooses words aptly; observes conventions of written English and manuscript format; makes few minor or technical errors
90%	45 shows a good understanding of the texts, ideas and methods of the assignment; goes beyond the obvious; may have one minor factual or conceptual inconsistency	9 clear, specific, argumentative thesis central to the essay; may have left minor terms undefined	18 pursues thesis consistently: develops a main argument with clear major points and appropriate textual evidence and supporting detail; makes an effort to organize paragraphs topically	9 distinct units of thought in paragraphs controlled by specific and detailed topic sentences; clear transitions between developed and logically arranged paragraphs that are internally cohesive	9 some mechanical difficulties or stylistic problems; may make occasional problematic word choices or awkward syntax errors; a few spelling or punctuation errors or cliché; usually presents quotations effectively
75%	37.5 shows an understanding of the basic ideas and information involved in the assignment; may have some factual, interpretive, or conceptual errors	7.5 general thesis or controlling idea; may not define several central terms	15 only partially develops the argument; shallow analysis; some ideas and generalizations undeveloped or unsupported; makes limited use of textual evidence; fails to integrate quotations appropriately	7.5 some awkward transitions; some brief, weakly unified or undeveloped paragraphs; arrangement may not appear entirely natural; contains extraneous information	7.5 more frequent wordiness; several unclear or awkward sentences; imprecise use of words or over-reliance on passive voice; one or two major grammatical errors (subject-verb agreement, comma splice, etc.); effort to present quotations accurately
60%	30 shows inadequate command of course materials or has significant factual and conceptual errors; does not respond directly to the demands of the assignment; confuses some significant ideas	6 thesis is vague or not central to argument; central terms not defined	12 frequently only narrates; digresses from one topic to another without developing ideas or terms; makes insufficient or awkward use of textual evidence	6 simplistic, tends to narrate or merely summarize; wanders from one topic to another; illogical arrangement of ideas	6 some major grammatical or proofreading errors (subject-verb agreement; sentence fragments); language marred by clichés, colloquialisms, repeated inexact word choices; inappropriate quotations or citations format
50% and below	25 writer has not understood lectures, readings, discussion, or assignment	5 no discernible thesis	10 little or no development; may list facts or misinformation; uses no quotations or fails to cite sources or plagiarizes	5 no transitions; incoherent paragraphs; suggests poor planning or no serious revision	5 numerous grammatical errors and stylistic problems seriously distract from the argument

## DESIRE2LEARN

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**Access** This course requires regular access to the Desire2Learn (D2L) course website (<https://neiu.desire2learn.com/>). For a quick introduction to using D2L, please visit: [http://homepages.neiu.edu/~ctl/D2L\\_students.html](http://homepages.neiu.edu/~ctl/D2L_students.html).

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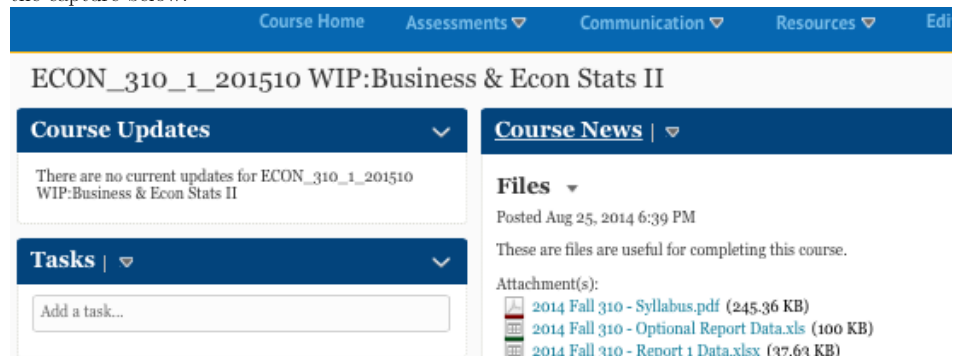
**Assignments** Your assignments are found by

- signing into D2L at <https://neiu.desire2learn.com/>;
- then selecting our course from the top menu bar;
- and finally selecting *Assessments* -> *Quizzes* from the second menu bar, as shown in the screen capture below:



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**Files** Files for the course are found in the *Course News* section of the *Course Home* page as seen in the capture below:



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**Files (cont.)**

If you do not see any files, you may have dismissed the news item with the course files. Click on *Course News* to restore news items as shown:

The screenshot shows the 'News' section of a D2L course. At the top, there are buttons for 'New Item' and 'More Actions'. Below is a search bar with the text 'Search For:' and a 'Show Search Options' link. A checkbox and a trash icon are visible. The main content area shows a news item titled 'Great Resource for Optional Assignment' which has been dismissed. A context menu is open over the item, showing options: 'Edit', 'Restore' (highlighted), and 'Delete'. The news item text reads: 'This book: <http://www.stat.cmu.edu/~cshalizi/ADAfaEPoV> Is a great resource for the optional assignment.'

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**Submitting**

Submit your papers using the D2L course Dropbox by selecting *Assessments* -> *Dropbox* as shown below:

The screenshot shows the D2L course interface. The top navigation bar includes 'Course Home', 'Assessments', 'Communication', 'Resources', 'Edit Course', 'ePortfolio', and 'Admin Tools'. The 'Assessments' dropdown menu is open, showing options: 'Dropbox', 'Grades', 'Quizzes', 'Rubrics', 'Self Assessments', 'Surveys', and 'Attendance'. Below the menu, the 'Dropbox Folders' section is visible, with buttons for 'New Folder' and 'More Actions'. A table lists the Dropbox folders with columns for 'Folder', 'Total Files', 'Unread Files', 'Flagged Files', and 'Due Date'.

Folder	Total Files	Unread Files	Flagged Files	Due Date
No Category				
Report One: Powerband Bracelet Co. DRAFT	7	0	0	Oct 1 2014 1 PM
Report One: Powerband Bracelet Co. FINAL	10	0	0	Oct 1 2014 1 PM
Report Two: Gender Paradox DRAFT	3	0	0	Nov 2014 1 PM



*I, \_\_\_\_\_, have read and understand the format of this course and the policies described in the syllabus. I acknowledge that failure to comply with the terms of the syllabus may affect my success in this class.*

*Course:* \_\_\_\_\_

*Print Name:* \_\_\_\_\_

*Signature:* \_\_\_\_\_

*Date:* \_\_\_\_\_