

# UNIVERSITY OF RICHMOND

## ROBINS SCHOOL OF BUSINESS



ECON 101  
Principles of Microeconomics, 1 unit

Fall 2017

### SYLLABUS

---

|                              |  |
|------------------------------|--|
| Instructor:                  | Thomas Zylkin  |
| Office:                      | BUS 331  |
| E-mail:                      | <a href="mailto:tzylkin@richmond.edu">tzylkin@richmond.edu</a> (NOTE: All class correspondence will be sent to your Richmond e-mail accounts.)   |
| Office Hours:                | Wednesdays, 9am - 10am & 4:30pm - 5:30pm   |
| Recommended Textbook:        | Baumol, William J., and Blinder, Alan S., MICROECONOMICS: PRINCIPLES AND POLICY, 13th Ed., 2015<br>(You are more than welcome to obtain used copies if you wish, including those of older editions.) |
| Sapling ( <i>required</i> ): | <a href="https://www.saplinglearning.com/ibiscms/login/">https://www.saplinglearning.com/ibiscms/login/</a>  |

---

**Course Description and Objectives:** Economics is the study of how human beings make choices under constraint and how these choices shape the society we live in. This course is designed as a general introduction to the rich subject of Economics, focusing in particular on the foundational principles of Microeconomics—the study of consumer and firm behavior—as a natural first step in this direction.

Formally, this course can be divided into four parts. First, I will introduce you to the core concepts of “demand” and “supply”; how they apply to the theory behind the pricing of goods and services; and how they reflect and relate to consumer behavior. In the second part of the course, we will switch our focus from consumers to firms, studying how firms make pricing and production decisions under different market structures. In the third part of the course, we will apply the foundational concepts learned in the first two units to a series of interesting and relevant topics such as the modern labor market, the economic rationale for unfettered international trade, and the costs and benefits of government interventions.

The fourth part of the course will venture beyond the confines of Microeconomics to preview the breadth of Economics as a discipline and the variety of important everyday problems that modern economists study using the tools of economic analysis.

## COURSE REQUIREMENTS AND POLICIES

EXAMS. There will be 1 quiz (of shorter length and lower grade weight than an exam) and 2 exams in this class: A **quiz** on the material from the first few weeks of the course (mainly covering supply and demand) will take place on **Tuesday, September 26th**. There will be a **midterm exam** on **Tuesday, October 24th** and a (non-cumulative) **final exam** to be held TBA. There will be *\*no\** make-up exams or quizzes. I do not expect you to miss any of the examinations but if it happens for a very good reason, you should contact me immediately. If you miss an exam or quiz (and with a good reason) you will have the chance to show me that you have mastered the material by taking a cumulative final covering the material for the final exam, plus the material you have not been tested for. I also give credit for improvement throughout the course. For example, if you do considerably better on the final than on the midterm, your poor midterm grade will be discounted (but not ignored). This should give you an incentive to take all exams and quizzes. If you miss an exam or quiz without my prior consent, this may result in an “F.”

STUDENT GROUP PROJECTS. In addition to the 2 exams + quiz, you will be expected to give a short **presentation** (in a group with your classmates) on either **Thursday, November 30th** or **Tuesday, December 5th**.

The idea behind this project is to get you to think like a professional economist. You will be asked to think of a “question” you would like to answer about a real-world economic phenomenon or policy (for example, “would a higher Federal minimum wage lead to higher unemployment?”). You will then report back to the class, in the form of a 20 minute presentation, what recent economic research has had to say on this topic.

More details on the project will be distributed during the first few weeks of class. However, if you would like to get started early on researching a topic, I suggest drawing on articles written in the *Journal of Economic Perspectives*, *The Economist*, *The New York Times*, or popular Economics blogs such as Marginal Revolution, Conscience of a Liberal, or VoxEU. In addition, I would advise you to be aware of the following deadlines associated with this project:

- **Tuesday, October 3rd:** Email me your group members, your **proposed question**, and some suggestive statistics or anecdotes motivating your interest in this question.
- **Thursday, November 2nd:** Email me your **refined question** and at least 2 different sources you have found epitomizing different views on this topic either among economists or in the popular press.
- **Friday, December 8th:** Email me a **concise summary** of no more than 2 pages (double-spaced, 12 point font) summarizing what your group learned from researching your question.

**PROBLEM SETS.** There will be a short online problem set assigned along with the reading for each class, which will be designed to help with your comprehension of the material. You are encouraged to discuss the assignments in groups but you should work through and think about the problems on your own before submitting. The submission deadline for these online assignments will usually be at midnight on Wednesday night. In addition, there will be occasional written assignments which I will ask you to hand in in class. These written assignments will help you prepare for the written portions of the exams.

No late homework will be accepted but I will drop the 2 problem sets with the lowest scores when calculating your final grade.

**MORE ON SAPLING.** Sapling is an online learning technology which will be used to give you practice questions to work on outside of class as well as allow me to see if any of the concepts need more coverage. Sapling will give you up to 3 opportunities to submit your answers to each question. For your second and third attempts, the program will explain the questions you got wrong and then replace them with similar questions. The last time you submit your answers will be used to determine your grade. Some assignment are longer than others; thus I strongly advise you to start working on them well in advance of the deadline.

**TEXTBOOK.** I strongly encourage you to purchase or rent a copy of the textbook by Baumol and Blinder. However, I do not require you to do so. I do, however, require you to purchase a subscription to Sapling, which will cost \$40.

**CLASS ATTENDANCE.** I expect you to attend all classes. In case you are ill or prevented from attending by exceptional circumstances you should contact me in advance if possible. If circumstances require you to miss classes for an extended period of time, you should contact both me and the appropriate class dean. This said, I do not take attendance and your grade will not be hurt directly if you miss an occasional class. However, please note that I generally find that students who come to class more not only get better grades but also gain more of an appreciation for the value of what they are learning.

**IN CLASS.** I will expect you to come to class ready to participate in the learning process. Actively thinking along with the intuition and logic that ties the material together is crucial for building the economic reasoning skills you will need to earn a high grade. My previous experience also indicates it is very beneficial if you have read the chapter before class or worked on some of the problem sets. The registrar's office generally recommends that you devote 10-14 hours per week to your coursework for each class, inclusive of time spent in class.

There will also be occasional opportunities to have in-class discussions relating what we

study in class to current events in the world around us. While there is no formal participation grade, thoughtful participation and demonstrated effort will be taken into consideration when assigning final grades.

GRADING POLICY. The grade that you get in the class will be the grade that you have earned. The only time that I will be willing to change a grade is when I have made a mistake and it has been brought to my attention before the end of the semester. Your final grade will be determined as follows:

|                |       |
|----------------|-------|
| Homework grade | (10%) |
| Quiz           | (10%) |
| Project        | (20%) |
| Midterm        | (25%) |
| Final Exam     | (35%) |

NOTE. In some of the work you do in this class, there will be essay questions of one form or another. Your grade on such questions will not be merely based on content. I will expect you to be able to express your thoughts in a smooth, clear, and logical sequence. Logical reasoning is crucially important in economics and while “choose the right answer” type questions can test your knowledge and critical thinking, essay-type questions are necessary to examine deep understanding of the material.

A WORD ON INTEGRITY. Violations of the Honor Code Statute in this class will not be tolerated and may result in severe academic sanctions. In order to familiarize yourself with the University of Richmond’s Honor Code as well as the policies in place regarding academic misconduct and dishonesty, you may refer to the following web site:

<http://studentdevelopment.richmond.edu/student-handbook/honor/the-honor-code.html>.

If you have any doubts or questions, please, consult with me.

## UNIVERSITY OF RICHMOND POLICIES

**Americans with Disabilities Act:** Students with documented disabilities who need course accommodations, have emergency medical information or require special arrangements for building evacuation should submit an application to Disability Services and inform the instructor as quickly as possible so we may take steps to accommodate your needs. For further information, visit: <http://disability.richmond.edu/students/process/index.html>.

**Course evaluation:** Your feedback about the course and instructor is the only way instructors and academic units can improve the quality of a course and its content. Your honest feedback is greatly appreciated and will benefit students taking this course in the future.

**Minimum attendance requirement:** School policy permits absence from no more than 25% of all scheduled classes. Students exceeding this standard receive a grade of "V" (failure due to excessive absences) and no credit for the course.

**Religious observance:** The University is a secular institution that values diversity of religious expression. The observance of religious holidays is considered a valid reason to be absent from class. If any of the course deadlines and/or exam dates conflict with the observance of your religious obligations, please inform your instructor ASAP.

**Dropping a course or withdrawing from a course:** Once a student is registered, it is his/her responsibility to attend the course, drop the course, or withdraw from the course. Dropping and withdrawing are distinct actions governed by different policies and impact a student's course enrollment status differently:

- Dropping a course causes the name of the course to disappear from the student's transcript.
- Withdrawing from a course causes both the name of the course and the grade of "M" (if withdrawing with a passing grade) or "W" (if withdrawing with a failing grade) to appear on the student's transcript. Before withdrawing from a course, students should consult the instructor.

For further information on these procedures, please see the following website:  
<http://registrar.richmond.edu/services/policies/add-drop.html>.

**Incomplete policy:** A grade of "I" or "Y" may be given if the student's course work has not been completed by the end of the term. The "I" is a provisional failing grade, to be given when the student's reasons for incomplete work are deemed unjustifiable by the instructor. The "Y", which does not count as a failing grade, is given when the student's reasons for not completing are deemed justifiable. In the case of an "I", the work is to be made up by a deadline to be set by the instructor, which may be no more than 45 days beyond the last day of the term. Otherwise, the "I" will become an "F". In the case of a "Y", it is still possible for

the student to arrange with the instructor to complete the remaining requirements in order to receive a make-up grade.

**Final examinations:** No final examinations will be given outside the examination period without the permission of the Dean. All final examinations are scheduled by the University Registrar.

**University closure:** During the course of a semester, it is possible the university will experience closure. Make-up assignments or make-up sessions of equivalent face-to-face length may be scheduled to make up for lost class time.

**Resources for Students:** The University offers a variety of services that may be helpful to students taking Economics and/or in navigating the many personal, social, and academic challenges they may encounter in a university environment. See, for example, the links for the Academic Skills Center and other counseling and community-building resources maintained at the following website: <http://commonground.richmond.edu/first-gen/resources.html>. There is also a dedicated Writing Center to help you develop your academic writing skills. See here: <http://writing.richmond.edu/>.

**Other policies:** More information on policies, procedures, and general governance may be found at the Provost's website. Specific policies and forms for the Robins School of Business are available in Blackboard.

## COURSE OUTLINE

| LECTURE #    | TOPIC     | READINGS  |                                |
|--------------|-----------|---|--------------------------------|
| Lecture 1    | T AUG 29  | Course introduction. Introduction to Economics.             | Chapters 1 & 2                 |
| Lecture 2    | Th AUG 31 | Scarcity and Choice: The Production Possibilities Frontier  | Chapter 3                      |
| Lecture 3    | T SEP 5   | Specialization & Comparative Advantage                      | Ch. 21, pp. 439-447            |
| Lecture 4    | Th SEP 7  | Intro Demand & Supply                                       | Chapter 4                      |
| Lecture 5    | T SEP 12  | Demand & Supply continued                                   | Chapters 5 & 6                 |
| Lecture 6    | Th SEP 14 | Demand & Supply continued                                   | Chapters 5 & 6                 |
| Lecture 7    | T SEP 19  | Demand & Supply continued                                   | Chapters 5 & 6                 |
| Lecture 8    | Th SEP 21 | Catching up & Review  | Ch.1 - Ch.6                    |
| Lecture 9    | T SEP 26  | <b>QUIZ ON SUPPLY &amp; DEMAND: September 26th, 2017</b>    | <b>GOOD LUCK!</b>              |
| Lecture 10   | Th SEP 28 | Firm's Supply Curve in depth: Production, Costs, and Inputs | Chapter 7                      |
| Lecture 11   | T OCT 3   | Marginal Analysis (Firm Profit Maximization)                | Chapter 8                      |
| Lecture 12   | Th OCT 5  | Firm Behavior in Perfectly Competitive Markets              | Chapter 10                     |
| Lecture 13   | T OCT 10  | Monopoly  | Chapter 11                     |
| Lecture 14   | Th OCT 12 | Catching up   | Ch. 10 - Ch. 11                |
|              | T OCT 17  | <b>FALL STUDY BREAK</b>                                     |                                |
| Lecture 15   | Th OCT 19 | Midterm Review  | Ch.1-8, 10-11                  |
| Lecture 16   | T OCT 24  | <b>MIDTERM: October 24th, 2017</b>                          | <b>GOOD LUCK!</b>              |
| Lecture 17   | Th OCT 26 | Imperfect Competition I: Monopolistic Competition           | Chapter 12                     |
| Lecture 18   | T OCT 31  | Imperfect Competition II: Oligopoly & Intro to Game Theory  | Chapter 12                     |
| Lecture 19   | Th NOV 2  | Imperfect Competition, continued                            |                                |
| Lecture 20   | T NOV 7   | Factor Markets, Marginal Productivity & Input Pricing       | Chapter 18                     |
|              |           | Introduction to Labor Markets                               | Chapter 19                     |
| Lecture 21   | Th NOV 9  | Labor Markets: Issues & Policies                            | Chapter 19                     |
|              |           | Models of Wage & Employment Determination                   | Lecture Notes                  |
| Lecture 22   | T NOV 14  | The Role of Government in a Market Economy                  | Ch. 15                         |
| Lecture 23   | Th NOV 16 | International Trade   | Chapter 21                     |
| Lecture 24   | T NOV 21  | <b>Discussion:</b> Free Trade and Free Markets              |                                |
|              | Th NOV 23 | <b>THANKSGIVING BREAK</b>                                   |                                |
| Lecture 25   | T NOV 28  | Looking ahead: What are the Big Questions in Economics?     | Lecture Notes                  |
| Lecture 26   | Th NOV 30 | <b>STUDENT-LED DISCUSSIONS</b>                              |                                |
| Lecture 27   | T DEC 5   | <b>STUDENT-LED DISCUSSIONS</b>                              |                                |
| Lecture 28   | Th DEC 7  | Course Wrap-up and Review for Final Exam                    | Ch.12, 15,<br>18-19, 21, Notes |
| <b>FINAL</b> |           | <b>FINAL EXAM: TBA</b>                                      | <b>GOOD LUCK!!!</b>            |