

Econ 103 CPE  
Introduction to

# Microeconomics

Fall 2019 Online Syllabus & Course Schedule

FAQ: *Am I required attend my scheduled lecture?*  
*Must I do the online videos and quizzes?* **YES!** On-line videos cover vital material, and quizzes count.  
*Must I do the textbook readings?* **YES!** Quizzes and problem sets draw on readings *even if they are not discussed in class.*

Required Texts

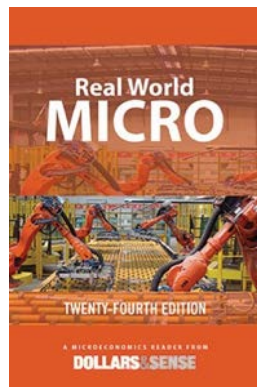
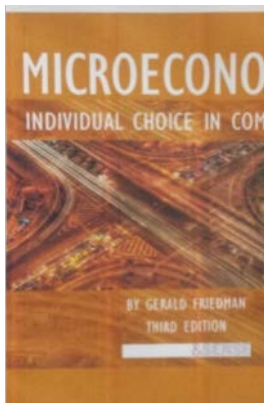
Available for purchase at the at Amherst Books on Main Street in Amherst

Or through:  
MyBookOrders.com

*Microeconomics: Individual Choice in Communities*  
(2017 edition) by Gerald Friedman

*Real World Micro*  
(2017, 24<sup>th</sup> edition!) by Dollars & Sense

people and involves writing and analytical and critical thinking as well as the development of technical skills. Econ 103 introduces students to the fundamental questions in social theory: the nature of society and the relationship between individuals and the community in the construction of an economic system. While a course in economic and social theory, theories are taught through examples that illustrate their use in practice and the implications of different approaches. In particular, we look at the meaning and value of economic growth, the importance of market externalities and alternative ways to regulate them, the relationship between economic inequality and economic growth, and the meaning and role of social insurance. An underlying theme of Econ 103 is how our choice of economic theory informs our choice of economic policy and our collective action.



FAQ: *Do I need the most current editions of the textbook?* **Preferably!** New editions contain updated information pertinent to the coursework.

## About This Course

Economics 103 is a general education course in Social World. It is designed to help you to arrive at a better understanding of yourself and other

## Course Requirements

### Problem Sets – Worth 60%

There are three problem sets worth 60% of your final grade (20% each). You are encouraged to work together on the problem sets with another student and hand in a single copy of the numerical problems (for which both contributing students will get the same grade); you should hand in your own essay questions. Here, you can collaborate with other students. But remember, there is a difference between collaboration and cheating. It should go without saying that you should not copy last year's problem sets. The problem sets change (and yes people copy in the wrong answers from last year).

### Quizzes – Worth 30%

25 Quizzes will be given throughout the duration of this course. These quizzes occur every Monday and every Wednesday. They are short, and only take 10 minutes. These quizzes force you to stay on top of the reading and thus make up 30% of the overall course grade. The most difficult part of these quizzes is making sure you understand when they are due.

### Discussion Board – Worth 10%

The final 10% of your grade is made up of discussion board posts. There will be one discussion board due at the beginning of each module. These questions are meant to get you thinking about the topics being addressed throughout that module. Answer the questions to the best of your ability. You will find the instructions to these questions available under the discussions tab.

### Late Work

I do not accept late work – even with excuses. This is an online economics course. You can do the work in advance. There is an opportunity cost to choosing to do something else that is not submitting the assignments at their due dates. This cost is not having them graded.

**Problem Sets, Quizzes, and Discussion forums are due at the posted syllabus days and the times posted on the blackboard site.**

### Academic Integrity

Cheating is bad....so don't do it! If you find the work is overwhelming, ask your professor for help. Do not resort to cheating. Cheating is dishonest, and once you cheat, you accept the label of cheater.

If you are caught cheating on the problem set, you will be subject to draconian University disciplinary action.

### Some things to do when things get hard

1. Be sure to read the relevant materials in the textbooks and review the lectures and videos. Economics is hard, sometimes you have to read the textbook 2 or 3 times before it starts to make sense.
2. Formulate a question to send to me. Usually in the process of writing out a question the answer will come to you.
3. Email me! I am happy to answer your questions. However, I will not give you the answers to questions on your problem set but will push you in the right direction.

## Readings

Sometimes there are different versions of the books available. It is recommended you get the most updated version. However, if you do not, it is possible to match up the chapters and topics.

## Modules

There are 5 main course modules which span different parts of the course.

- (1) Module 1: Introduction and Big Picture
- (2) Module 2: Caring Labor and Other Public Goods
- (3) Module 3: Orthodox Consumer and Producer Theory
- (4) Module 4: Markets are Complicated
- (5) Module 5: Economic Policy

Each of these modules is broken into subparts that correspond to a day of the course. For example: In module 1, there is "1.1 Introduction" and "1.2 Social Facts." These respond to the class dates of September 4<sup>th</sup> and September 9<sup>th</sup>. ***If you have questions about this please feel free to send me an email.***

Econ 103 Online Fall 2019

| Class No. | Date    | Lecture Day | Topic  | Readings  | BlackBoard Videos and PowerPoint Slides   | Due                          |
|-----------|---------|-------------|--|---|---|------------------------------|
| 1         | Sept 4  | Wed         | Introduction and the production possibilities frontier (PPF).        | Friedman, <i>Microeconomics</i> , Chapter 1   |   |                              |
| 2         | Sept 9  | Mon         | Economics is a social science and that is why institutions matter.   | Friedman, <i>Microeconomics</i> , Chapter 1-2<br><i>Real World Micro</i> , Chapter 1  | Econ103 Introduction  |                              |
| 3         | Sept 11 | Wed         | The division of labor and capitalism.                                | Friedman, <i>Microeconomics</i> , Chapter 3   | Econ103 Lecture 2<br>Econ 103: Comparative Advantage  | Quiz 1                       |
| 4         | Sept 16 | Mon         | Transactions costs, bargaining, and the PPF                          | Friedman, <i>Microeconomics</i> , Chapter 4   | Econ 103: Production Possibility Frontier   | Quiz 2                       |
| 5         | Sept 18 | Wed         | If we are so rich, why aren't we happy? Problems with markets.       | Friedman, <i>Microeconomics</i> , Chapter 5<br><i>Real World Micro</i> , Chapter 3.6, pages 77-82<br>NY Times: The Kids Are Not Alright         | Econ103 Lecture 4   | Quiz 3<br>Discussion Forum 1 |
| 6         | Sept 23 | Mon         | Caring labor   | Friedman, <i>Microeconomics</i> , Chapter 5   | Econ103 Lecture 5   | Quiz 4                       |
| 7         | Sept 25 | Wed         | Public goods, prisoner's dilemmas, and the problem of externalities. | Friedman, <i>Microeconomics</i> , Chapter 6<br><i>Real World Micro</i> , Chapter 1.5; Chapter 6; Chapter 11.7 "Not just for future generations" | Econ 103: Prisoners Dilemma<br>Econ 103: Externalities<br>Gawker: Must Watch: Golden Balls Contestant Wins With Most Ballsy Move Ever | Quiz 5                       |

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| Class No. | Date    | Lecture Day  | Topic   | Readings  | BlackBoard Videos and PowerPoint Slides            | Due                                 |
|-----------|---------|--------------|---|---|--|-------------------------------------|
| 8         | Sept 30 | Mon          | Coase's Theorem: What it is and does it work?                               |   | Econ 103: Externalities                            | Quiz 6                              |
| 9         | Oct 2   | Wed          | Marginal utility and downward sloping demand curves.                        | Friedman, <i>Microeconomics</i> , Chapter 7<br><i>Real World Micro</i> , Chapter 3  | Econ 103: Marginal Utility<br>Econ 103, Lecture 06 | Quiz 7                              |
| 10        | Oct 7   | UMass Monday | Do aggregate demand curves slope down? Shifting demand curves.              | Friedman, <i>Microeconomics</i> , Chapter 7   | Econ 103: Elasticity of Demand                     | Quiz 8<br><b>DUE: PS 1!</b>         |
| 11        | Oct 9   | Wed          | The elasticity of demand, and consumer surplus.                             | Friedman, <i>Microeconomics</i> , Chapter 7   | Econ 103, Lecture 07<br>Econ 103, Lecture 08       | Quiz 9<br><b>Discussion Forum 2</b> |
| 12        | Oct 15  | Tues         | Supply: Firms and production. Marginal productivity. Marginal cost.         | Friedman, <i>Microeconomics</i> , Chapter 8<br><i>Real World Micro</i> , Chapter 4.   | Econ 103: MPL and MC                               | Quiz 10                             |
| 13        | Oct 16  | Wed          | Supply curves under perfect competition and marginal revenue.               | Friedman, <i>Microeconomics</i> , Chapter 8<br><i>Real World Micro</i> , Ch. 5.   | Econ 103: Marginal Revenue                         | Quiz 11                             |
| 14        | Oct 21  | Mon          | Monopoly.   | Friedman, <i>Microeconomics</i> , Chapter 8   | Econ 103: Monopoly                                 | Quiz 12                             |
| 15        | Oct 23  | Wed          | Rents, profits and producer surplus under monopoly and perfect competition. | Friedman, <i>Microeconomics</i> , Chapter 9<br><i>Real World Micro</i> , Chapter 2  | Econ 103, Lecture 09                               | Quiz 13                             |
| 16        | Oct 28  | Mon          | Prices and regulations  | Friedman, <i>Microeconomics</i> , Chapter 9<br>Sendhil Mullainathan, "Sending Potatoes to Idaho"<br><a href="http://www.nytimes.com/2016/10/09/upshot/sending-potatoes-to-idaho-how-the-free-market-helps-food-banks.html">http://www.nytimes.com/2016/10/09/upshot/sending-potatoes-to-idaho-how-the-free-market-helps-food-banks.html</a> | Econ 103 Why Elasticity Matters                    | Quiz 14                             |

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|-----------|--------|-------------|--|---|--|-------------------------------|
| 17        | Oct 30 | Wed         | Shifting supply and demand curves.<br>Using market outcomes to identify shifts in supply and demand.                       | Friedman, <i>Microeconomics</i> Chapter 9   | Econ 103 Changes in Supply and Demand        | Quiz 15<br>Discussion Forum 3 |
| 18        | Nov 4  | Mon         | Income inequality.<br>Citizenship and the market economy.  | Friedman, <i>Microeconomics</i> chapter 10<br><i>Real World Micro</i> , Chapter 8   | Econ 103, Lecture 10<br>Econ 103, Lecture 11 | Quiz 16<br>DUE: PS 2          |
| 19        | Nov 6  | Wed         | Is inequality good? Okun and leaky buckets, and why he is wrong.   | Friedman, <i>Microeconomics</i> chapter 10<br><i>Real World Micro</i> , Ch. 9   | Econ 103, Lecture 12                         | Quiz 17                       |
| 20        | Nov 12 | Tues        | Marginal productivity of labor and the neoclassical demand for labor.<br>Marginal revenue product of labor;<br>Wage = MRP. | Friedman, <i>Microeconomics</i> , chapter 11  | Econ 103: Marginal Revenue Product           | Quiz 18<br>Discussion Forum 4 |
| 21        | Nov 13 | Wed         | Labor supply and demand, home production, compensating differentials, and immigration.                                     | Friedman, <i>Microeconomics</i> , chapter 11<br><i>Real World Micro</i> , Chapter 7   | Econ 103, Lecture 14                         | Quiz 19                       |
| 22        | Nov 18 | Mon         | Do wages really equal MRP?<br>Ford and efficiency wages: quits, incentives, human capital.                                 | Friedman, <i>Microeconomics</i> , Chapter 12  |  | Quiz 20                       |
| 23        | Nov 20 | Wed         | Power in labor markets: discrimination and the economics of care.  | Friedman, <i>Microeconomics</i> , chapter 12<br>"Why Mark Wahlberg earns more" at <a href="https://theconversation.com/the-real-reason-mark-wahlberg-earns-us-42m-more-than-any-woman-in-">https://theconversation.com/the-real-reason-mark-wahlberg-earns-us-42m-more-than-any-woman-in-</a> | Econ 103: Discrimination and Crowding Out    | Quiz 21                       |

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| Class No.       | Date   | Lecture Day | Topic  | Readings   | BlackBoard Videos and PowerPoint Slides | Due                           |
|-----------------|--------|-------------|--|--|---|-------------------------------|
| hollywood-83003 |        |             |  |  |   |                               |
| 24              | Dec 2  | Mon         | Efficient financial markets; risk, uncertainty, interest rates | Friedman, <i>Microeconomics</i> , chapter 12   |   | Quiz 22                       |
| 25              | Dec 4  | Wed         | Asymmetric information and financial market failure            | Friedman, <i>Microeconomics</i> , chapter 13   |   | Quiz 23                       |
| 26              | Dec 9  | Mon         | Government and insurance                                       | Friedman, <i>Microeconomics</i> , chapter 14<br><i>Real World Micro</i> , Chapter 11 | Econ 103, Lecture 15                    | Quiz 24<br>Discussion Forum 5 |
| 27              | Dec 11 | Wed         |  |  |   | Quiz 25                       |

Dec 13

Friday

**DUE: Problem Set 3**