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**Econ 103: Introduction to Microeconomics**  
**University of Massachusetts, Amherst**  
**Fall 2021**

**Class meets:** M, W 2.30 – 3.20 pm in Morrill N375

**Instructor:** Dr. Pickbourn

**Office hrs:** M, W 12.00 – 1.00 pm

**E-mail:** [lpickbourn@umass.edu](mailto:lpickbourn@umass.edu)

**Office:** Crotty Hall, Room 211

**TA information will be posted on the Moodle course website.**

**Course overview:**

This course is a pluralist introduction to microeconomic analysis. The main goals of the course are to introduce students to the principles of both mainstream and heterodox approaches to microeconomics and to encourage students to evaluate the applicability of different economic theories to real-world issues in the twenty-first century.

**Learning outcomes:**

By the end of the semester, students will

- gain an understanding of the different perspectives of mainstream and heterodox approaches to economic analysis
- be able to draw on these different viewpoints to analyze the behavior of consumers, firms and governments
- be able to evaluate the impacts of different economic policies and events
- gain an appreciation of the complexity of individuals, societies, markets and economic relationships.

Students in this course will meet with the primary instructor twice a week. Attendance at these meetings is required. In addition to these meetings, students are also **required to attend the weekly discussion section** with the graduate student teaching assistants (TAs) for the course.

**Prerequisites: There are no prerequisites for this course.**

**Required Textbook:** Principles of Microeconomics 2e by S. Greenlaw, D. Shapiro, T. Taylor et al. from OpenStax, Print ISBN 1947172360, Digital ISBN 1947172379,  
[www.openstax.org/details/books/principles-economics-2e](http://www.openstax.org/details/books/principles-economics-2e)

Good news: your **textbook for this class is available for free online, in web view and PDF format!** You can also purchase a print version, if you prefer, via Ecampus or from OpenStax on Amazon.com.

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You can use whichever formats you want. Web view is recommended -- the responsive design works seamlessly on any device. If you buy on Amazon, make sure you use the link on your book page on openstax.org so you get the official OpenStax print version. (Simple printouts sold by third parties on Amazon are not verifiable and not as high-quality.)

**Additional readings:** There will be other required readings which I will make available on Moodle as the semester proceeds. These readings are marked with an **(M)** in the course calendar below.

### **COURSE REQUIREMENTS**

You should expect to spend about 4 hours per week outside class time on this class. Your grades will be based on the following:

#### **Attendance and participation in lectures and discussion sections (10%)**

This class is a learning community, which means that your individual attendance and participation is essential for making this class a success for us all; very little learning will take place without your commitment and active participation. You should come to class prepared and willing to discuss the assigned material, respond to questions, engage one another in conversation, and engage with the lecture presentations **based on your knowledge of the assigned material**. Respectful and constructive disagreements and debates are strongly encouraged!

#### **Engagement and progress (10%)**

One of my main goals for this course is to encourage your development as a student. Over the course of the semester, I will ask you to **reflect briefly** on what you are learning in this class. It is a good idea to keep a journal for this purpose. At the end of the semester, you will write a 1 page reflection piece on your progress and learning in this course. This will be an important piece of your final portfolio for this class.

#### **Take-home exams (60% of final grade)**

There will be FOUR take-home exams assigned over the course of the semester. These exams are designed to reinforce your learning in this course. Your top 3 scores will be used to determine your grade for this component of the class. **Because the exams are designed to help you review the material and improve your understanding of the concepts we cover, you MUST take ALL FOUR exams and submit your work in order to be eligible to drop your lowest score.** The first 3 exams will be posted on Moodle 10 DAYS before they are due. The final exam will be posted on Moodle 7 days before it is due. Depending on the subject matter, these take-home exams may include a combination of numerical/graphing problems (which may be worked on with another student) and short essays (which must be completed individually). Since cooperation increases productivity, you are encouraged (but not required) to work with another student in your discussion section **on the numerical/graphing problems** in these take-home exams. **If this is an option you would like to pursue, ask your TA to pair you up with other students who have also expressed an interest in working in pairs. Do this early in the semester! If you decide to do this, you and your partner should turn in a single copy of your responses to the graphing/numerical problems (each student will receive the same grade). You should each**

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**write individual essays (typed, please!) and turn these in separately (each student will receive a grade on the short essays based on their individual work).**

**Moodle assignments (20% of final grade)**

To help you keep up and stay engaged with the course readings, there are TWELVE assignments based on the assigned readings on Moodle. You should answer these questions after you have done the required readings on which they are based and submit your response on Moodle by the date specified. These Moodle assignments/forum posts will be graded on a Pass-Fail basis.

Due dates for the take-home exams and the Moodle assignments are listed in the course calendar and also in the separate document ‘Assignments’ posted on Moodle. **These dates are subject to change: any changes in these dates will be announced on Moodle.**

**VERY IMPORTANT**

To succeed in this class and to fully benefit from lectures and discussions, it is absolutely important that you prepare for each lecture and discussion by **reviewing the material covered most recently AND reading the assigned material for the upcoming class.** If there is a Moodle assignment due for that class, make sure you do it BEFORE you come to class.

**Your TA holds office hours. So do I. Information about your TA’s office hours are provided on the Moodle course website. If things begin to get difficult, see your TA, or me, or both. Don’t wait – it’s easy to fall behind in this class, but it’s also easy to catch up if you ask for help early.**

**GENERAL POLICIES:**

**Participation:** Your participation is essential if we are to succeed in creating a learning community in this classroom; very little learning will take place without your commitment and active participation. Although this is a large lecture, your TAs and I will try to provide ample opportunity for you to engage fully with the course material, either during lectures or during the discussion sections. You should be prepared and willing to discuss the assigned readings, respond to questions, engage one another in intellectual conversation, and engage with the lecture presentations **based on your knowledge of the assigned readings.** Respectful and constructive disagreements and debates are encouraged, and **I particularly urge you to speak up when you disagree with me, or with an apparent consensus in the class.**

**Academic Honesty:** University policies on academic honesty will be enforced in this class. These policies can be found [here](#). There will be a zero-tolerance policy for plagiarism and cheating, and students who knowingly plagiarize or cheat will receive an F on the assignment or exam.

**Late work and extensions:** In general, I do not encourage requests for extensions on assignments and exams. Extensions may be granted in extenuating circumstances, such as properly documented illness. If you find yourself in circumstances that make it

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necessary to request an extension, please do so as soon as you can – DO NOT WAIT until after the deadline has passed. Late assignments will be subject to a grade penalty.

**Accommodations:** If you need accommodations in order to complete course requirements, please **use this [form](#) to contact the office of Disability Services**. You should do this and inform me of any accommodations you have been granted as early as possible in the semester, well in advance of any course deadlines.

**Your success in this course is important.** Your instructor has partnered with Student Success and your academic advisors to assist you in better understanding course material which can aid you on your path to success. Resources available to students include: **Supplemental Instruction, ExSEL Group Tutoring, and 1:1 Tutoring**. Visit the Learning Resource Center online at <http://www.umass.edu/lrc>.

Throughout the semester, your instructor will communicate with Student Success & academic advisors regarding your progress in the course. If you are contacted, please consider scheduling appointments such as tutoring or academic advising and talk with your professor. Referrals are not punitive and are meant to assist you in connecting with resources at UMass. Please email [academicalert@umass.edu](mailto:academicalert@umass.edu) if you have any questions or need assistance connecting with resources.

**Guidelines for classroom civility and respect:** To successfully create a classroom environment in which everyone feels that they are part of a learning community we need to maintain an atmosphere of civility and respect towards each other and towards your instructors. These goals are clearly articulated in the University's Guidelines for Classroom Civility and Respect, which can be found [here](#). In particular, I would like to highlight this section of the Guidelines:

Student behavior or speech that disrupts the instructional setting or is clearly disrespectful of the instructor, teaching assistants or fellow students will not be tolerated. Disruptive conduct may include, but is not limited to:

1. rude or disrespectful behavior
2. unwarranted interruptions
3. failure to adhere to instructor's directions
4. vulgar or obscene language, slurs or other forms of intimidation
5. physically or verbally abusive behavior

In addition, making or sharing recordings of the class without the written permission of the instructor are a potential violation of the Code of Student Conduct which can be found [here](#).

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## COVID-related policies

For the health and safety of all members of our campus community, students are expected to follow all COVID-related policies on campus. At the start of the Fall 2021 semester, there are two policies in effect that deserve special mention.

First, students are required to follow the [COVID-19 Daily Self-checklist](#). **Students who are ill must not attend class**, and they will be offered reasonable accommodations for missed work.

Second, the university has adopted an indoor mask mandate for all public spaces in buildings on campus, including all classrooms. Students are expected to wear masks while the mandate is in effect.

Your instructor will remind you to wear a mask that **securely covers your mouth and nose**, and direct you to a nearby mask station if you do not have one. If you are unwilling to mask, you will be asked to leave the class. If you do not leave the class, the instructor will end the class, and the Dean of Students office will be informed that you have disrupted class and violated the [Guidelines for Classroom Civility and Respect](#). Anyone with a mask exemption must provide prior written notice to the instructor and **must maintain at least six feet of distance from faculty and other students at all times**.

To ensure adherence to the mask mandate, consumption of food and beverages (including water) in the classroom will not be allowed. If you need a drink during class, you may step out of the classroom to do so.

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**Due dates**

<b>Date due</b>	<b>What is due?</b>
<b>Fri 9/3</b>	Assignment #1: Response to RSA Animate and Reflection #1
<b>Fri 9/10</b>	Assignment #2-: Mainstream vs Political Economy
<b>Fri 9/17</b>	Assignment #3: PE critique of scarcity and choice
<b>Fri 9/24</b>	Assignment #4: Institutional foundations of markets
<b>Wednesday 9/29</b>	<b>Take home exam 1 (assigned 9/20)</b>
<b>Fri 10/1</b>	Assignment #5: Law of Demand
<b>Fri 10/8</b>	Assignment #6 and Reflection #2
<b>Fri 10/15</b>	Assignment #7: Rent controls
<b>Fri 10/22</b>	Assignment #8: Minimum wage
<b>Wednesday 10/27</b>	<b>Take home exam 2 (assigned 10/18)</b>
<b>Fri 10/29</b>	Assignment #9: Elasticity of demand and price gouging
<b>Fri 11/5</b>	Assignment #10: Producer behavior
<b>Fri 11/19</b>	Assignment #11: Market structures
<b>Wednesday 11/24</b>	<b>Take home exam 3 (assigned 11/15)</b>
<b>Fri 12/9</b>	Assignment #12: Inequality and Reflection #3
<b>Monday 12/13</b>	<b>Take home exam 4 (assigned 12/6)</b>

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**Course calendar (Note: this calendar is provisional and subject to change; any changes will be communicated by email)**

Date	Topic and organizing questions/assignments	Required material (to read/view before class)
<b>Part 1: Introduction to pluralist economics and the context for economic analysis</b>		
Wed 9/1	<b>What is this course about?</b> <ul style="list-style-type: none"> <li>- Introduction to the course, syllabus and course requirements</li> </ul>	
Fri 9/3	<b>Assignment 1 due today</b> Assignment 1: RSA Animated video – Economics is for Everyone, by Ha Joon Chang	
Mon 9/6	<b>Labor Day – no class</b>	
Wed 9/8	<b>A Pluralist Approach to Microeconomics</b> <ul style="list-style-type: none"> <li>- What is economics, and what is a pluralist approach? Microeconomics, macroeconomics, the methodology of economics</li> <li>- Alternative schools of thought in economics</li> </ul>	Alternative definitions of economics (M)  What is economics? Major Economic Schools of Thought (M)
Fri 9/10	<b>Assignment 2 due</b> <b>Distinctions between mainstream and non-mainstream schools of thought</b>	
Mon 9/13	<b>Scarcity and economic tradeoffs (1)</b> <ul style="list-style-type: none"> <li>- the concept of opportunity costs and an introduction to the Production Possibilities Curve</li> </ul>	Textbook, Chapter 1
Wed 9/15	<b>Scarcity and economic tradeoffs (2)</b> <ul style="list-style-type: none"> <li>- <b>The production possibilities frontier (contd)</b></li> </ul>	A Political Economy Critique of Scarcity and Choice in Mainstream Economics (M)
Fri 9/17	<b>Assignment 3 due</b> <b>Production Possibilities Frontier and review discussion of PE critiques of scarcity, efficiency and choice</b>	
<b>Part 2: Demand, Supply and Markets</b>		

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<p><b>Mon</b> 9/20</p>	<p><b>Alternative Economic Systems</b></p> <ul style="list-style-type: none"> <li>- <b>Take home exam #1 assigned today</b></li> </ul>	<p>Read ‘The US and Nordic Economic Systems’ (M)</p>
<p>Wed 9/22</p>	<p><b>The mainstream theory of price determination in markets</b></p> <ul style="list-style-type: none"> <li>- assumptions about markets, consumers and producers</li> <li>- introduction to the theory of demand</li> </ul>	<p>‘The institutions that make markets work’ (M)</p>
<p><b>Fri 9/24</b></p>	<p><b>Assignment 4 due: Institutional Foundations of Markets</b> <b>Review material for Take-home exam 1</b></p>	
<p>Mon 9/27</p>	<p><b>The mainstream theory of demand</b></p> <ul style="list-style-type: none"> <li>- Demand, quantity demanded and the law of demand</li> <li>- The demand curve</li> <li>- Factors that shift the demand curve</li> <li>- Individual demand vs market demand</li> </ul>	<p>Textbook, Sections 3.1 and 3.2 p.45-48; p.52-57</p>
<p><b>Wed</b> 9/29</p>	<p><b>Take home exam 1 due</b></p> <p><b>The mainstream theory of supply</b></p> <ul style="list-style-type: none"> <li>- Supply, quantity supplied and the law of supply</li> <li>- The supply curve</li> <li>- Factors that shift the supply curve</li> <li>- Individual supply vs market supply</li> </ul>	<p>Textbook, Sections 3.1 and 3.2 p.48-50; p.57-61</p>
<p><b>Fri 10/1</b></p>	<p><b>Assignment 5 due</b> <b>Review demand and supply: focus on changes in quantity demanded/supplied and changes in demand/supply</b></p>	

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Mon 10/4	<b>Equilibrium in the mainstream model of markets; changes in equilibrium price and quantity in the mainstream model</b> <ul style="list-style-type: none"> <li>- Excess supply/surplus</li> <li>- Excess demand/shortage</li> <li>- The effect of shifts in demand and shifts in supply</li> <li>- The ceteris paribus assumption</li> </ul>	Textbook, Chapter 3 Section 3.1 and 3.2 p.50-51 Textbook, Section 3.3 p. 61-67
Wed 10/6	<b>Interventions in markets: how and why do governments intervene in markets?</b> <ul style="list-style-type: none"> <li>- Price ceilings and price floors</li> <li>- Per unit subsidies and excise taxes</li> <li>-</li> </ul>	Textbook, Chapter 3 Section 3.4 p.67-70
Friday 10/8	<b>Assignment 6 due: Demand, supply and equilibrium (self-check exercises #1-5 of Chapter 3 in the textbook; discuss during discussion sections)</b>	
Mon 10//11	No class	
Wed 10/13	<b>Markets and efficiency (part 1)</b> <ul style="list-style-type: none"> <li>- Consumer surplus</li> </ul>	Textbook, Chapter 3 Section 3.5 p.71-74
Fri 10/15	<b>Assignment 7 due: Rent controls</b>	
Mon 10/18	<b>Markets and efficiency (part 1)</b> <ul style="list-style-type: none"> <li>- Producer surplus and dead weight loss</li> <li>- <b>Take home exam 2 assigned</b></li> </ul>	Textbook, Chapter 3 Section 3.5 p.71-74 Goodwin et al. Tradeoffs between efficiency and other goals
Wed 10/20	<ul style="list-style-type: none"> <li>- <b>The demand and supply of labor and the minimum wage debates</b></li> <li>-</li> </ul>	Textbook Chapter 4, Section 4.1 See Moodle for additional readings on minimum wage
Fri 10/22	<b>Assignment 8 due: Minimum wage; Review for Exam 2;</b>	

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Mon 10/25	<b>The Price Elasticity of demand: how do changes in price affect quantity demanded?</b> <ul style="list-style-type: none"> <li>- price elasticity of demand: definition, measurement and determinants</li> <li>- elasticity of demand and total revenue</li> </ul>	Textbook, Chapter 5
Wed 10/27	<b>Take home exam 2 due today</b> <b>Elasticity of supply: how do changes in price affect quantity supplied?</b> <ul style="list-style-type: none"> <li>- price elasticity of supply; definition, measurement and determinants</li> </ul>	Textbook, Chapter 5
Fri 10/29	<b>Assignment 9 due: Elasticity of demand and price gouging</b> <b>Discuss price elasticity of supply</b>	
<b>Part 3: Consumer and supplier behavior</b>		
Mon 11/1	<b>Consumption and the Consumer Society –</b> <ul style="list-style-type: none"> <li>- assumptions of the mainstream model of demand decisions</li> <li>- the budget line</li> <li>- choosing a point on the budget line: total utility and marginal utility</li> </ul>	Textbook, Chapter 6, Section 6.1
Wed 11/3	<b>Consumption and the Consumer Society</b> <ul style="list-style-type: none"> <li>- utility maximization</li> <li>- the effect of changes in price and income</li> <li>- the demand curve and consumer theory</li> <li>- insights from institutionalist and behavioral economics: Are consumers always rational, self-interested, calculating and fully-informed?</li> </ul>	Textbook, Chapter 6, Sections 6.2 and 6.3 <b>Consumer behavior p.223-230 (M)</b>
Fri 11/5	<b>Assignment 10 due: Consumer behavior</b> <b>Focus on consumer theory and critiques</b>	

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Mon 11/8	<b>The mainstream theory of production: production, costs and industry structure</b> <ul style="list-style-type: none"> <li>- assumptions of the mainstream model of supply decisions</li> <li>- Productive resources</li> <li>- Production in the short-run: marginal production, total product, diminishing marginal returns</li> <li>- Production costs in the short run: fixed costs, variable costs, marginal costs, average costs</li> <li>- Rising marginal costs and the firm's supply curve</li> </ul>	Textbook, Chapter 7
Wed 11/10	<b>Production, costs and industry structure</b> <ul style="list-style-type: none"> <li>- Production costs in the long-run: economies and diseconomies of scale</li> </ul>	
Fri 11/12	<b>Review production costs</b>	
<b>Part 4: Market structures and market failures</b>		
Mon 11/15	<b>Markets without market power: perfect competition</b> <ul style="list-style-type: none"> <li>- Output decisions in the short turn</li> <li>- Entry and exit decisions in the long run</li> <li>- Efficiency in perfectly competitive markets</li> </ul> <b>Take home exam 3 assigned</b>	Textbook, Chapter 8 Firm behavior p.236-242 (M)
Wed 11/17	<b>Perfect competition continued</b>	
Fri 11/19	<b>Assignment 11 due: Market structures</b> <b>Review for take home exam 3</b>	

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Mon 11/22	<b>Markets with market power: Pure monopoly</b>	Textbook, Chapters 9-10
Wed 11/24	<b>Take home exam 3 due on Moodle No class</b>	
Mon 11/29	<b>Markets with market power: monopolistic competition</b>	Textbook, Chapters 9-10
Wed 12/1	<b>Markets with market power: oligopoly</b>	Textbook, Chapters 9-10
Fri 12/9	<b>Assignment 12 due: Inequality Discussion section will focus on market structures</b>	
Mon 12/6	<b>Market failures - Poverty and inequality Take home exam 4 assigned; due 12/13</b>	
Wed 12/8	<b>Wrap up</b>	