

Introduction to Microeconomics
The University of Montana
ECNS 201S
Section 01
Fall 2017

Instructor: Professor Kellenberg

Office phone: (406) 243-5612

Class Time: MWF 10:00 - 10:50 AM

Office: Liberal Arts 404

Class Location: MCG 210

Office Hours: MW 1:30 – 2:30 PM
(and by appointment)

Email: Derek.Kellenberg@mso.umt.edu

Class TA: Emily Eaton

TA Office Hours: MWF 2:30 - 3:30 PM (or by appointment)

TA Office: LA 410

TA email: Emily.Eaton@umconnect.umt.edu

Note: The following syllabus defines the rules and important dates for the semester. However, I reserve the right to make changes if the need arises.

Course Description

This course is an introduction to the principles and tools of microeconomic analysis with applications to public policy. Despite popular misconceptions, economics is not about the study of money and how to make money. Sure, we will talk about money in this class as a medium of exchange, but we are really going to be studying a much larger conceptual issue involving how people, firms, and governments make choices. Specifically, we are going to be interested in how these entities make choices when faced with limited resources. Our goal will be to develop a clear understanding of the underlying values, incentives, and ultimately choices, that manifest themselves in a variety of economic market structures and to reflect on how this new understanding can help guide us in thinking about a wide variety of personal, business, and public policy issues.

Learning Outcomes:

Upon completion of this course students will:

1. Understand the fundamentals of supply, demand, and market equilibrium.

2. Have an understanding of various forms of market structure and competition on social welfare.
3. Know how to calculate and interpret price, income, and cross-price elasticities.
4. Have an understanding of various forms of market failures, including the effects of market power, externalities, and public goods.
5. Have an understanding of various forms of government interventions, such as taxes and price controls, on competitive markets.

Course Text and LaunchPad Website

The required text for the course is Microeconomics, 4th Edition by Krugman and Wells. Over the course of the semester we will cover a great deal of information, and I *strongly* urge you to keep up with reading the chapters as we cover them in class. There will be times during lecture when we will move quickly through topics and it will be paramount that you use the book, lecture notes, and assignments to help you solidify the concepts that we cover in class. Our Moodle class webpage contains a link to the books Launchpad website. On this website you will have access to the full online version of the text and will complete your Launchpad homework assignments.

This course is part of a newer program called Inclusive Access, The University of Montana Bookstore's new digital course material service. This new service enables the bookstore to offer students instant access to online course materials, like textbooks and class websites, at the *lowest price possible*.

So what does this mean for you, the student? It means you immediately have access to your digital course materials on the first day of class! To gain access to your content you'll log in to your Moodle course and click the RedShelf link to get an access code and instructions for redemption.

Students will see a “digital book fee” on their tuition bill for \$65 for this course. Access to the website is required for the course. However, if you decide you do not want to purchase these materials from the bookstore, you can opt-out of the Inclusive Access program by going to the RedShelf link in your Moodle course, clicking the View Course Materials button, scrolling to the bottom of the page to click the grey opt-out button and following the prompts. If you opt-out by the add/drop deadline of 9/21/17 you will receive a refund to your student account. Please contact the bookstore with any questions about refunds. For those who prefer a hardcopy of the text in addition to the e-text provided, I will discuss several options on the first day of class.

Class Notes

Incomplete lecture notes will be posted on the Moodle class website before each lecture. Lecture notes will typically be available at least 24 hours in advance of lecture. I encourage you to print them out before each class and bring them to class to fill in the missing sections. I will NOT email or give out the completed notes if you miss class. If

you miss lecture for any reason, it is YOUR responsibility to get the completed notes from someone else in class.

Grading

Exams

There will be four midterm exams, each potentially worth 25% of your overall class grade and one optional comprehensive final exam also potentially worth 25% of your overall class grade. **THERE WILL BE NO MAKE-UP EXAMS** for any of the four midterm exams or the optional final exam. There will be no exceptions to this rule.

Homework

There will be a short series of Math and Graphing Review Assignments, due the 2nd week of class and 12-14 online LaunchPad assignments that you will complete on the LaunchPad website. You will have a LaunchPad assignment due upon the completion of each chapter we cover in lecture. Your homework score will constitute 25% of your overall grade and will be based on full completion of the assignments. Each homework assignment will carry equal weight in your overall Homework Score. Homework assignments will be due by 11:59PM sharp on the due date assigned. After 11:59PM the website will no longer allow assignments to be turned in. **NO LATE HOMEWORKS WILL BE ACCEPTED.** Again, no exceptions will be made on this policy. Homework due dates for each of the LaunchPad homework assignments will be posted on the website at least one week prior to being due. In general you should expect to complete one assignment per week.

Overall Grade Calculation

Your final class grade will be based on your Homework Score and the 3 highest scores from the four Midterm Exams. Please be aware that I do not allow you to drop your lowest Midterm exam score simply to be “nice”. The material in the course is challenging and over the course of the term there will be people who will unfortunately experience some sort of illness or personal or family hardship or may need to miss an exam date for personal or extracurricular reasons (e.g. sporting events, school trips, weddings, travel, etc.). As such, I allow each of you to drop one Midterm exam as a form of insurance policy against unforeseen events so that you may tend to any extracurricular, personal, or family matters without it affecting your overall grade. If you know that you are going to miss an exam date you **MUST PLAN ACCORDINGLY**, as that will be your Midterm score that will be dropped. **DO NOT** make the mistake of slacking off early in the term thinking you can simply make up for a poor early performance on later exams. In the rare circumstance that you must miss more than one Midterm Exam for an approved school activity or an excused absence you may take the Optional Comprehensive Final Exam to replace the second missed midterm score. If you know

that you will miss more than one Midterm Exam you must come see me within the first two weeks of class to discuss your situation.

Midterm Exam 1	25%
Midterm Exam 2	25%
Midterm Exam 3	25%
Midterm Exam 4	25%
Homework Score	25%
Optional Comprehensive Final Exam	25%

A Word on Cheating and Plagiarism: Do not do it! All students are expected to abide by the University of Montana Student Conduct Code. Any violators of the Student Code of Conduct will be subject to punishment as outlined in the Student Code. For more information on the Student Code of Conduct please consult the following website:

<http://www.umt.edu/vpesa/Dean%20of%20Students/default.php>

Students with Disabilities: If you are a student with a disability who will require reasonable program modifications in this course, please meet with Disability Services for Students in Lommasson 154 for assistance in developing a plan to address program modifications. If you are already working with Disability Services, please arrange to meet with me during my office hours to discuss reasonable modifications that may be necessary. For more information, visit the Disability Services website at <http://www.umt.edu/disability>.

Classroom Policies: I reserve the right to ask you to leave the classroom for the day if I perceive that you are being disruptive in any way to me or others in class. I view disruptive behavior to include things like talking on a cell phone, texting, tweeting, emailing, surfing the web, reading a newspaper or doing crosswords puzzles during class time. *Cell phones must be put away (out of sight and ringers turned off) at all times.*

Course Outline

The outline of topics set below is an ambitious schedule and we may not get to some of the chapters at the end...but we are going to try. The four *dates for the midterm exams and optional final exam are set* and will not be changed. However, the chapters and lectures on each date below should be thought of as an approximate roadmap of the topics that will be covered on each day but will depend on how quickly we are progressing through the material. Chapter readings and Launchpad assignments will be updated regularly on the class Launchpad website as we progress through the material over the course of the semester. I will let you know the week prior to each exam exactly which chapters the exam will cover.

	Monday	Wednesday	Friday
Week 1: 8/28 – 9/1			NO LECTURE (Online Set-up Day)
Week 2: 9/4 – 9/8	LABOR DAY NO CLASS	Introduction & Ch. 1- First Principles	Ch. 2 – Economic Models
Week 3: 9/11 – 9/15	Ch. 2 – Economic Models	Ch. 10 – The Rational Consumer	Ch. 10 – The Rational Consumer
Week 4: 9/18 – 9/22	Ch. 11 – Supply Curves and Costs	Ch. 11 – Supply Curves and Costs	Ch. 3 – Supply and Demand
Week 5: 9/25 – 9/29	EXAM 1	Ch. 3 – Supply and Demand	Ch. 3 – Supply and Demand
Week 6: 10/2 – 10/6	Ch. 4 Producer and Consumer Surplus	Ch. 4 Producer and Consumer Surplus	NO LECTURE Online Extra Credit Day
Week 7: 10/9 – 10/13	Ch. 6 Elasticity	Ch. 6 Elasticity	EXAM 2
Week 8: 10/16 -10/20	Ch. 12 Perfect Competition	Ch. 12 Perfect Competition	Ch. 13 Monopoly
Week 9: 10/23 – 10/27	Ch. 14 Oligopoly	Ch. 14 Oligopoly.	Ch. 15 Monopolistic Comp
Week 10: 10/30 – 11/3	Ch. 15 Monopolistic Comp	Ch. 16 Externalities	Ch. 16 Externalities
Week 11: 11/6 – 11/10	Ch. 16 Externalities	Ch. 17 Public Goods and Common Resources	NO CLASS VETERAN’S DAY
Week 12: 11/13 – 11/17	EXAM 3	Ch. 17 Public Goods and Common Resources	Ch. 17 Public Goods and Common Resources
Week 13: 11/20 – 11/24	NO LECTURE Online Extra Credit Day	NO CLASS THANKSGIVING HOLIDAY	NO CLASS THANKSGIVING HOLIDAY
Week 14: 11/27 – 12/1	Ch. 7 Taxes	Ch. 7 Taxes	Ch. 7 Taxes
Week 15: 12/4 – 12/8	Ch. 5 Price Controls and Quotas	Ch. 5 Price Controls and Quotas	EXAM 4
Week 16: 12/11 – 12/15	REVIEW DAY	NO CLASS	OPTIONAL FINAL EXAM, 8:00 AM