

DePaul University  
PRINCIPLES OF MICROECONOMICS  
Winter 2022

**Professor:** Anthony C. Krautmann  
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**Contacting the Professor:**

I am available during my office hours, which are Tuesdays from 1:20 to 2:30pm (Chicago time) – right after our scheduled class period.

**Required text:**

No required text, as my lecture notes and videos cover all the course material. If you need a reference textbook, however, I would suggest William J. Baumol, Alan S. Blinder, and John Solow Microeconomics: Principles and Policy, any edition (current edition is 14<sup>th</sup> edition, Ohio: Cengage/Southwestern, 2020. ISBN: 978-1337794992). But you can easily obtain an earlier edition for much less (note that previous editions included just the authors Baumol and Blinder). Alternatively, any Principles of Microeconomics textbook will suffice.

**Course Description:**

This course is designed to give the student an introduction to the field of economics known as microeconomics. Microeconomics focuses on optimal decision making by individuals, as well as the social consequences of these decisions. We will model how society answers the three basic economic questions: what and how much is produced? how is it produced? and who gets what's produced? The course is fairly rigorous and mathematical, using geometry and algebra, so I strongly suggest that the student review their mathematics notes. The prerequisite for this course is MAT101. **Note: All course communications between you and me must be via your DePaul email address – none will come to your personal emails.**

**Learning Outcomes:**

As the result of successful participation in this course, students will be able to show their understanding of rational economic behavior. Microeconomics covers optimal behavior from the perspective of both the household as well as the firm. Students will be able to demonstrate their comprehension of these basic models by recognizing how real-world cases and examples relate to optimal behavior. In particular, students will:

1. Be able to analyze market outcomes using the Law of Supply and Demand.
2. Be able to outline economic decisions using marginal analysis; in particular, comparing marginal benefits to marginal costs.
3. Be able to identify different market structures and use this knowledge to predict how firms in different market structures make pricing and production decisions.
4. Explain the efficiency and equity of competitive markets, and compare this outcome to the inefficiencies associated with monopoly power.
5. Be able to explain the limits of competition when faced with market failures like public goods and externalities.

**Academic Integrity:**

The student is expected to uphold all of the conditions outlined in the Student Handbook regarding academic integrity. All work must adhere to the University Academic Integrity Policy (see the Student Handbook, or visit <http://academicintegrity.depaul.edu> ). Please be aware that any work hand in can be checked through Turnitin technology (including exams submitted through D2L).

## Center for Students with Disabilities

DePaul University is committed to providing students with disabilities equal access to DePaul's educational and co-curricular opportunities so that students may fully participate in the life of the university. The Center for Students with Disabilities (CSD) services are available to students with diverse physical, learning, medical, mental health and sensory disabilities. The Center offers supports to students to achieve their academic goals while promoting their independence. CSD is a resource to the many university departments that share the responsibility of supporting the members of our diverse learning community. For more information, call 312-362-8002/773-325-1677 or email [csd@depaul.edu](mailto:csd@depaul.edu)

## Student Evaluations

At the end of this course, you will have the opportunity to evaluate this course and the effectiveness of the instructor. This feedback is extremely valuable to me as an instructor as it allows me to adjust those teaching moments which were, or were not, effective. Please take this task seriously and give your honest opinion about what you found good and bad about this course.

## Grading Criteria

Grades will be determined in the following proportions: **20% Homeworks, 40% Midterm, and 40% Final**. Included in the Handouts are review questions for the Midterm and Final Exams – the student would be well advised to be able to answer these questions to be fully prepared for the exams. Grades on exams will be curved slightly according to the class performance; however, the grade cutoffs will not deviate much from the traditional 90%, 80%, etc. grade threshold.

## Miscellaneous Information:

1. The Economics Dept. provides tutoring services for Principles students. See tutoring schedule and Zoom invitation at the end of this syllabus.
2. Note that my lecture notes ("Lecture Notes") are available on D2L in the "Lectures" tab. I also provide video presentations of my lecture topics – see the weekly topics in the Contents tab in D2L.
3. Student work in this course will fulfill the Social Behavioral and Cultural Inquiry Learning Outcomes and Writing Expectations of DePaul's Liberal Studies Program. Students will analyze and reflect upon arguments about the contemporary world using economic theory, methods, and evidence. Students will also analyze economic interdependencies between society and its individuals.
4. The Economics program at DePaul has a "4+1" combined degree which allows students to complete both the undergraduate and Master degrees in Economics within five years. If interested, talk to me.

## Submitting Weekly Homework Assignments

All weekly homework assignments are to be handed in through the "Submissions" tab in D2L *before class begins at 11:50am on the due dates (D2L's Submissions tab closes at 11:50am)*. **Since D2L can only compile JPEG and PDF file formats, you must format your submitted assignments in one of these two formats. Only these two types of file formats will be accepted for credit.** Since most of the assignments are multiple choice, your submissions need only include the question number and your answer -- however, Homeworks #3 and #4 will require entire sheets of written answers. If you have any questions, feel free to contact me BEFORE the due date for those assignments.

## Submitting Midterm and Final Exams

Your answer sheets for both the Midterm and Final Exams must be submitted into the "Submissions" tab in D2L by 11:59pm on the day of the exam (i.e., 2/10/22 for Midterm, 3/15/22 for Final). **Again, you must submit your answer sheets in the JPEG or PDF file format only.**

**Course Calendar (more details on course materials in Table Two on the following page)**

The unit of instruction is the week, starting on Mondays and ending on Sunday. Table One below contains a calendar of due-dates for assignments.

**TABLE ONE  
HOMEWORK SCHEDULE**

<b>WEEK #</b>	<b>START/END</b>	<b>ASSIGNMENT DUE</b>
<b>1</b>	Start 1/3/22	Prod. Possibilities and Growth
	End 1/9/22	<b>Hwk #1 due 1/11</b>
<b>2</b>	Start 1/10/22	Gains from Trade
	End 1/16/22	<b>Hwk #2 due 1/18</b>
<b>3</b>	Start 1/17/22	Law of Supply and Demand
	End 1/23/22	<b>Hwk #3 due 1/25</b>
<b>4</b>	Start 1/24/22	Price Control
	End 1/30/22	<b>Hwk #4 due 2/1</b>
<b>5</b>	Start 1/31/22	Elasticity
	End 2/6/22	<b>Hwk #5 due 2/8</b>
<b>MIDTERM EXAM</b>		<b>2/10/22 by 11:59pm</b>
<b>7</b>	Start 2/14/22	Consumer Theory
	End 2/20/22	<b>Hwk #7 due 2/22</b>
<b>8</b>	Start 2/21/22	Production and Costs
	End 2/27/22	<b>Hwk #8 due 3/1</b>
<b>9</b>	Start 2/28/22	Competitive Markets
	End 3/6/22	<b>Hwk #9 due 3/8</b>
<b>10</b>	Start 3/7/22	Monopoly
	End 3/13/22	Imperfect Comp./ Mkt. Failure (if time)
<b>11</b>	<b>FINAL EXAM</b>	<b>3/15/22 by 11:59pm</b>

**TABLE TWO  
COURSE MATERIALS & SCHEDULE**

<b>WEEK</b>	<b>TOPIC</b>	<b>READINGS*</b>	<b>LECTURE NOTES &amp; VIDEO**</b>	<b>HOMEWORK</b>
<b>1</b>	Scarcity and the Prod.Poss.; Economic Growth	Production Poss. and the Law of Diminishing Returns	Intro and the Scarcity Problem Production Possibilities	Homework #1
<b>2</b>	Gains from Trade	Exercise in Trade Costs of Trump's Tariffs Protect Jobs from Foreign Competition	Gains from Trade	Homework #2
<b>3</b>	Law of Supply and Demand	Law of Supply and Demand Review of Market Analysis	Market Analysis	Homework #3
<b>4</b>	Price Controls	How Much Do Price Controls Cost Us? Minimum Wage by State 2019	Price Controls	Homework #4
<b>5</b>	Elasticity	Elasticities in the News State Excise Taxes on Cigarettes	Elasticity	Homework #5
<b>6</b>	<b>MIDTERM -Review for Midterm (2/10/22 by 11:59pm)</b>			
<b>7</b>	Rule of Rational Life; Theory of the Consumer	It Pays to Get a College Degree Why you are at DePaul Highest and Lowest Pay College Major	Consumer Theory	Homework #6
<b>8</b>	Production and Cost Theory	Production Theory Why Implicit Costs Matter	Production Theory Cost Theory	Homework #7
<b>9</b>	Pure Competition	Long-run Competitive Equilibrium	Competitive Mkt Structure	Homework #8
<b>10</b>	Monopoly; Competition vs. Monopoly	Monopoly Pricing: Freight Rail Prices More Problems: Competition vs. Monopoly	Monopoly Mkt Structure	Homework #9
<b>10</b>	Monopolistic Competition and Oligopoly (if time) Market Failure (if time)	Calculating Concentration Ratios OPEC Has a Hard Time Controlling Itself	Imperfect Comp. Mkt Structures Market Failure	
	<b>FINAL EXAM - Review for Final (3/15/22 by 11:59pm)</b>			

\* refers to Readings in D2L in Course Documents

\*\* refers to Lecture Notes and Lecture Videos in D2L

## Online Tutoring Schedule

### ECONOMICS TUTORING SCHEDULE ECO 105 and ECO 106 tutoring

#### **Mondays: 5-7:30 PM**

Join from PC, Mac, Linux, iOS or Android: <https://depaul.zoom.us/j/95931663554>

Or iPhone one-tap :

US: +13126266799,,95931663554# or +16513728299,,95931663554#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 651 372 8299 or +1 786 635 1003 or +1 267 831 0333 or +1 301 715 8592 or +1 470 250 9358 or +1 470 381 2552 or +1 646 518 9805 or +1 646 876 9923 or +1 720 928 9299 or +1 971 247 1195 or +1 213 338 8477 or +1 253 215 8782 or +1 346 248 7799 or +1 602 753 0140 or +1 669 219 2599 or +1 669 900 6833

Meeting ID: 959 3166 3554

International numbers available: <https://depaul.zoom.us/u/adfXYfLhpp>

#### **Tuesdays: 9-11:30 AM**

Join from PC, Mac, Linux, iOS or Android: <https://depaul.zoom.us/j/98696186000>

Or iPhone one-tap :

US: +13126266799,,98696186000# or +12678310333,,98696186000#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 267 831 0333 or +1 301 715 8592 or +1 470 250 9358 or +1 470 381 2552 or +1 646 518 9805 or +1 646 876 9923 or +1 651 372 8299 or +1 786 635 1003 or +1 213 338 8477 or +1 253 215 8782 or +1 346 248 7799 or +1 602 753 0140 or +1 669 219 2599 or +1 669 900 6833 or +1 720 928 9299 or +1 971 247 1195

Meeting ID: 986 9618 6000

International numbers available: <https://depaul.zoom.us/u/aca2tcFYTt>

#### **Wednesdays: 9-11:30 AM**

Join from PC, Mac, Linux, iOS or Android: <https://depaul.zoom.us/j/98696186000>

Or iPhone one-tap :

US: +13126266799,,98696186000# or +12678310333,,98696186000#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 267 831 0333 or +1 301 715 8592 or +1 470 250 9358 or +1 470 381 2552 or +1 646 518 9805 or +1 646 876 9923 or +1 651 372 8299 or +1 786 635 1003 or +1 213 338 8477 or +1 253 215 8782 or +1 346 248 7799 or +1 602 753 0140 or +1 669 219 2599 or +1 669 900 6833 or +1 720 928 9299 or +1 971 247 1195

Meeting ID: 986 9618 6000

International numbers available: <https://depaul.zoom.us/u/aca2tcFYTt>

## Thursdays: 9-11:30 AM

Join from PC, Mac, Linux, iOS or Android: <https://depaul.zoom.us/j/97301244818>

Or iPhone one-tap :

US: +13126266799,,97301244818# or +16513728299,,97301244818#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 651 372 8299 or +1 786 635 1003 or +1 267 831 0333 or +1 301 715 8592 or +1 470 250 9358 or +1 470 381 2552 or +1 646 518 9805 or +1 646 876 9923 or +1 720 928 9299 or +1 971 247 1195 or +1 213 338 8477 or +1 253 215 8782 or +1 346 248 7799 or +1 602 753 0140 or +1 669 219 2599 or +1 669 900 6833

Meeting ID: 973 0124 4818

International numbers available: <https://depaul.zoom.us/u/alsAV4a34>