

# ECO 105: Principles of Microeconomics

## Spring 2022

*DePaul University - Department of Economics*

**Time:** Tues/Thurs 11:50am-1:20pm

**Room:** 14 East Jackson, Rm 806

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DePaul Center, Room 6209

### Office Hours:

Thursday, 3:00pm-4:30pm

Or, by appointment -- though I am rarely far from email

### Textbook:

Gregory Mankiw, *Principles of Microeconomics*, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup>, or 9<sup>th</sup> Edition, South-Western, Cengage Learning.

### Course Description:

This introductory course in Microeconomics studies how individuals and firms make decisions in the face of scarcity; and how these individual decisions aggregate up to market-level outcomes. While firms and individuals are always assumed to behave in their own best interest, the desirability of the market-level outcome that emerges will depend upon competitiveness and completeness of the market where they interact with each other. Thus, the course is broken up into two parts. In the first half of the course we study market outcomes and efficiency when markets are perfectly competitive and complete. In the second half of the course, we study outcomes and efficiency when markets are imperfectly competitive or when markets simply do not exist (i.e. incomplete). All material in the course is cumulative with each lesson building off the previous). Thus, it is essential to stay on top of the material from the beginning.

### Learnings Outcomes:

- Analyze the tradeoffs that consumers and firms face and how they make decisions.
- Understand how individual and firm decisions aggregate up into market-level outcomes.
- Examine whether these outcomes that emerge are “good” from society’s point of view.
- Analyze the role of the government in the economy to improve upon market-level outcomes.

### Assessment of Students:

Problem Sets (5):	20%
Midterm:	30%
Final Exam:	40%
Class Participation:	10%

## Assignments:

**Problem Sets:** There will be five problem sets in this course. All problem sets can be worked on with 1 or 2 homework partners (in fact, this is strongly encouraged - but no groups larger than 3) with whom you would hand in a single set of answers. Each problem set is designed to give students practice solving problems associated with the models we develop in class and applying the concepts/models to new areas. The questions in the problem sets are good practice for the types of problems that will show up on the midterm and final.

**Midterms:** There will be a midterm on May 3<sup>rd</sup>. It will be a full hour and a half and cover the material in Topics 1 - Topic 4. I will hand out a practice midterm one week before the test and post answers to the practice midterm on D2L.

**Final Exam:** The final exam is scheduled for June 7<sup>th</sup> at 11:30 am. It will be cumulative but the majority of the material will come from the second half of the course (Topic 5 - Topic 8). I will again provide a practice final and answers about one week before the final.

## Important Dates:

Problem Set #1 Due:	April 7 <sup>th</sup> (Class 4)
Problem Set #2 Due:	April 19 <sup>th</sup> (Class 7)
Problem Set #3 Due:	April 28 <sup>th</sup> (Class 10)
Midterm Review Session:	May 2 <sup>nd</sup>
Midterm:	May 3 <sup>rd</sup> (Class 11)
Problem Set #4 Due:	May 17 <sup>th</sup> (Class 15)
Problem Set #5 Due:	May 22 <sup>nd</sup> (Class 18)
Final Exam Review Session:	June 2 <sup>nd</sup> (Class 20)
Final Exam:	June 7 <sup>th</sup> , 11:30am

## Syllabus:

### Part I: Market Outcomes & Efficiency in Perfectly Competitive Markets

#### Topic 1: Introduction to Microeconomics (3/29/22 - 3/31/22, Classes 1-2)

Readings: • Mankiw, Ch. 1-2

#### Topic 2: Equilibrium, Elasticity, and Interactions across Markets (3/31/22 - 4/14/22, Classes 2-6)

Readings: • Mankiw, Ch 4, 5, 6 (pp.114-121).

Assignment: Problem Set #1 (Topics 1 and 2)

#### Topic 3: One-Product Firms Under Perfect Competition (4/14/22 - 4/26/22, Classes 6-9)

Readings: • Mankiw, Ch. 13-14

Assignment: Problem Set #2 (Topic 2 and 3)

#### **Topic 4: Efficiency in Equilibrium (4/26/22 - 4/28/22, Class 9 & 10)**

- Readings: • Mankiw, Ch 7  
Assignment: Problem Set #3 (Topic 4 and 5)

### **Part II: Outcomes & Efficiency in Imperfectly Competitive Markets**

#### **Topic 5: Monopoly (5/5/22 - 5/12/22, Classes 12-14)**

- Readings: • Mankiw, Ch. 15-16

#### **Topic 6: Government Policies & Taxation (5/17/22 - 5/19/22, Classes 15-16)**

- Readings: • Mankiw, Ch. 6 (pp. 121-128), Ch. 8, and Ch. 12  
Assignment: • Problem Set #4 (Topic 6 and 7)

#### **Topic 7: Externalities and Public Goods (5/24/22 - 5/31/22, Classes 17-19)**

- Readings: • Mankiw, Ch 10-11  
Assignment: • Problem Set #5 (Topic 7 and 8)

#### **Topic 8: Course Conclusion/Review (6/2/22, Class 20)**

### **Additional Expectations:**

**Academic Integrity:** Work done for this course must adhere to the University Academic Integrity Policy, which you can review in the *Student Handbook* or by visiting Academic Integrity at DePaul University (<http://academicintegrity.depaul.edu>).

**Respect:** The classroom is a place for learning. This is best achieved by asking questions, thinking out loud, and even making mistakes. Please treat all of your classmates with respect - we will all struggle at some point or another. If anyone has concerns about the behavior of other people in the class, come see me right away.

**Timeliness:** All assignments are due as posted in this syllabus. If you foresee a problem with a due date (or midterm date), see me in advance and I may grant you an extension. All unapproved late submissions will be marked down.

**Liberal Studies Requirement:** 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.

**Disability:** Students with disabilities that require additional time on exams or other accommodations, must let me know in advance as well as provide me with all of the relevant paperwork.