University of Maine
School of Economics

ECO 120 (002) Principles of Microeconomics
Spring 2014

Time/Location: Tuesdays and Thursdays 9:30-10:45PM
Murray Hall 102

Instructor
Dr. Hsiang-tai Cheng, Associate Professor
Office: 200 Winslow Hall
Office Hours: Monday and Wednesday 9:00AM-11:00AM. Please contact me to set up an appointment.
Phone: (207) 581-3155
Email: FirstClass

Teaching Assistant
Charles O’Donnell
Stevens Hall Room 305 – Economics Laboratory & Advising Center
Phone: (207) 581-1866 (this is a shared Economics Lab phone)
Office hours: TBA

Online Text and Homework:
For this class you are required to purchase access to Aplia, a web-based homework system. Access to Aplia homework assignments includes an electronic version of the textbook. You do not need to purchase a print copy. This class is based on the textbook Principles of Microeconomics, 6th edition by Gregory N. Mankiw (purchase if you need hard copy).

See last page of the syllabus for instructions to register and purchase Aplia. Register as soon as possible. You can use Aplia without paying until 11:59 PM on 02/02/2014. If you do not pay by this date, you will lose access to homework assignments and homework deadlines will NOT be reset for you.

Course Description:
This course is intended to introduce students to the concepts and terminology of microeconomics, and demonstrate to students how microeconomic analysis can explain (and contribute to solving) current issues. We will develop an understanding of how markets work to allocate limited resources and will focus on the conditions necessary for an outcome to be efficient (and what it means when those conditions are not met).

Prerequisites: MAT 111

Course Learning Objectives:
This course is a requirement for many majors and minors including: economics, business administration (including concentrations in marketing, finance, accounting, etc.), construction management and many more. Additionally, this course meets the University of Maine’s general education requirement for the area of Social Contexts and Institutions.

Course objectives:
- Expand your understanding of the economic relationship existing between individuals, firms and social institutions such as the government.
- Introduce you to essential tools of economic analysis, including equilibrium for markets, and optimal choices for individuals.
- Reveal the important role that economics plays in everyday life – and help you explain everyday phenomena from an economic perspective.
Course Learning Outcomes:

By the end of the semester you will be able to:

1) Use the basic terminology of microeconomics, including a brief definition of microeconomics.
2) Apply the concepts of scarcity and opportunity cost in discussing consumer and firm decision-making.
3) Identify market equilibrium, and the impact on consumer and firm welfare
4) Identify changes in supply and demand, and their impact on market equilibrium
5) Discuss demand and supply elasticity, and the impact on consumer, producer and government choices.
6) Understand how different market structures affect market equilibrium and welfare outcomes.
7) Identify market failures, and understand economic and social policies which affect market equilibrium and welfare outcomes

The above stated objectives and outcomes address the learning outcome goals for the University of Maine’s general education requirement for the area of Social Context and Institutions which state: Courses included in the Social Contexts and Institutions category focus upon the ways in which social contexts shape and limit human institutions. The specific focus may be upon ways in which social contexts and institutions interact with human values, the role of institutions in expressing cultural values, or the social and ethical dimensions attendant upon particular academic disciplines.

CLASS PROCEDURES AND REQUIREMENTS

1. How will I (the student) be graded?

Homework
All homework assignments and their due dates are posted on Aplia, Course Outline webpage. The assignments are done and submitted there also. You will learn how to use Aplia by completing the practice assignment called Introduction to Using Aplia Problem Sets. The first homework assignment is due January 21.

Homework assignments will consist of multiple-choice questions/fill in the blank/graphing questions. With Aplia, you have three attempts for each homework – the average of these three attempts will be recorded as your grade for that assignment. I will drop the lowest homework assignment in semester grade calculation.

*There may be a different number of problems in a homework set for different chapters. However, all homework assignments will be weighted the same, and a grade will be reported out of 100%.

Aplia homework assignments must be completed by the due date; I do not accept late work. Don’t wait to the last minute to do the graded problems; something might go wrong (e.g. lose your internet connection) and make you unable to complete your work before the deadline.

Exams
There will be four exams this semester. The course outline shows the material that will be covered on each exam. All exams are closed book and comprehensive, including all material from readings and lecture.

There will be no exam make-ups without prior approval except under extremely unusual circumstances. If you will be missing an exam due to representing the University (i.e. athletics, conferences, etc.) please let me know as soon as possible – but definitely BEFORE the exam you will miss. If you miss an exam for other excused reasons (illness or family emergencies) you need to speak with me ASAP, and bring proof of your reason for absence. Failure to take an exam, or produce documentation for missing an exam, will result in a grade of a zero. Makeup exams must be completed on the time/day indicated by the instructor and may not be taken more than one week after the missed exam.

Class Attendance
We will cover some material that is not in the book. Please note that Exams will be based on both readings and materials discussed in class. Your best bet for success is to attend class.
Final Grades

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>Homework</td>
<td>20%</td>
</tr>
<tr>
<td>First Exam</td>
<td>20%</td>
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<tr>
<td>Second Exam</td>
<td>20%</td>
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<tr>
<td>Third Exam</td>
<td>20%</td>
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<tr>
<td>Fourth Exam</td>
<td>20%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
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Extra Credits
There will be five unannounced in-class quizzes throughout the semester.

The unannounced quizzes cannot be made up. If you do not attend class the day a quiz is given, you will receive a zero for that quiz. Extra credits are figured into your overall grade as follows:

\[(\text{Percentage on Required Work}) + (\text{Percentage on Extra Credits}/20)\]

Suppose at the end of the semester you have a 76% average and your quiz average is 80%, 80/20=4, so add 4 to your average. Your overall grade would be raised from 76% to 80%

Course Letter Grade
Overall grade will be translated into letter grade according to the following scale:

- **A** Above 93%
- **B-** 80.0-82.99%
- **D+** 67.0-69.99%
- **A-** 90%-92.99%
- **C+** 77.0-79.99%
- **D** 63.0-66.99%
- **B+** 87.0-89.99%
- **C** 73.0-76.99%
- **D-** 60.0-62.99%
- **B** 83.0-86.99%
- **C-** 70.0-72.99%
- **F** Blow 60%

2. What are the course policies?

Emailing Policy
Email communication with the instructor or the teaching assistant in this class should be considered formal, similar to other business-style correspondence.

- In the Subject Line include the course number--ECO 120
- Address your instructor by title and name-Professor Cheng
- Sign your complete name.
- Email messages will be answered within 48 hours between 9 a.m. and 5 p.m. on Monday through Friday.
- *We reserve the right not to respond to emails that don’t meet these qualifications!*

Be respectful when emailing our course TAs, or myself. Use complete sentences, spell-check and express questions clearly. *We reserve the right not to respond to emails that don’t meet these qualifications!*

**PLEASE only use the FirstClass mail system when emailing me!**

Disability Policy
Students with a disability, who may require accommodation, please speak with me as early as possible in the semester to promote success in this course and/or with Ann Smith, Coordinator of Services for Students with Disabilities (Onward Building, 581-2319).

3. How can I get extra help?

Economics Laboratory & Advising Center
The School of Economics has a Student Laboratory & Advising Center in Stevens Hall Room 305. You can come to the lab at any time to receive assistance from TAs. I suggest you look at the economics lab calendar to determine when another TA specializing in Micro is available. The Economics Lab is also a great place to meet for group study sessions.
## Tentative Course Outline

(Changes will be announced in class and posted on Aplia course folder)

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Lecture Topic</th>
<th>Reading</th>
<th>Aplia Homework Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tu. 1/14</td>
<td>Introduction</td>
<td>Ch. 1</td>
<td></td>
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<tr>
<td></td>
<td>Th. 1/16</td>
<td>Ten Principles of Economics</td>
<td>Ch. 1</td>
<td></td>
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<tr>
<td>2</td>
<td>Tu. 1/21</td>
<td>Graphing and PPF</td>
<td>Ch. 2 p.26-29 &amp; Appendix</td>
<td>Intro. to Using Aplia Assign. and Chapter 1,</td>
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<tr>
<td></td>
<td>Th. 1/23</td>
<td>Economic thinking</td>
<td>Ch. 2</td>
<td>Math and graphing</td>
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<td>3</td>
<td>Tu. 1/28</td>
<td>The demand side of the market</td>
<td>Ch. 4</td>
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<tr>
<td></td>
<td>Th. 1/30</td>
<td>The supply side of the market</td>
<td>Ch. 4</td>
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<tr>
<td>4</td>
<td>Tu. 2/04</td>
<td>Government price control and economic efficiency</td>
<td>Ch. 6 p. 112-120</td>
<td>Chapter 4</td>
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<tr>
<td></td>
<td>Th. 2/06</td>
<td>Consumers, producers, and market efficiency</td>
<td>Ch. 7</td>
<td>Chapter 6</td>
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<td>5</td>
<td>Mon. 2/10</td>
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<td></td>
<td>Tu. 2/11</td>
<td>First Exam (Chapters 1, 2, 4, 6, 7)</td>
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<td></td>
<td>Th. 2/13</td>
<td>Elasticity of demand</td>
<td>Ch. 5</td>
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<tr>
<td>6</td>
<td>Tu. 2/18</td>
<td>Elasticity of supply</td>
<td>Ch. 5</td>
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<td></td>
<td>Th. 2/20</td>
<td>Consumer choice-the budget constraint and preferences</td>
<td>Ch. 21</td>
<td>Chapter 5</td>
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<tr>
<td>7</td>
<td>Tu. 2/25</td>
<td>Consumer choice-optimization</td>
<td>Ch. 21</td>
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<tr>
<td></td>
<td>Th. 2/27</td>
<td>Applications of the theory of consumer choice</td>
<td>Ch. 21</td>
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<td>8 &amp; 9</td>
<td>3/3 -3/14</td>
<td>Spring Break</td>
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<tr>
<td>10</td>
<td>Tu. 3/18</td>
<td>Second Exam (Chapters 5, 21)</td>
<td>Ch. 13</td>
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<td></td>
<td>Th. 3/20</td>
<td>Production and cost</td>
<td>Ch. 13</td>
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<tr>
<td>11</td>
<td>Tu. 3/25</td>
<td>Production and cost</td>
<td>Ch. 13</td>
<td></td>
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<tr>
<td></td>
<td>Th. 3/27</td>
<td>Firms in perfectly competitive market</td>
<td>Ch. 14</td>
<td>Chapter 13</td>
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<tr>
<td>12</td>
<td>Tu. 4/1</td>
<td>Firms in perfectly competitive market</td>
<td>Ch. 14</td>
<td>Chapter 14</td>
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<td></td>
<td>Th. 4/3</td>
<td>Monopoly</td>
<td>Ch. 15</td>
<td>Chapter 15</td>
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<tr>
<td>13</td>
<td>Mon. 4/7</td>
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<td>Tu. 4/8</td>
<td>Third Exam (Chapters 13, 14, 15)</td>
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<td>Th. 4/10</td>
<td>Monopolistic Competition</td>
<td>Ch. 16</td>
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<tr>
<td>14</td>
<td>Tu. 4/15</td>
<td>Monopolistic Competition</td>
<td>Ch. 16</td>
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<td></td>
<td>Th. 4/17</td>
<td>Oligopoly</td>
<td>Ch. 17</td>
<td>Chapter 16</td>
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<tr>
<td>15</td>
<td>Tu. 4/22</td>
<td>Oligopoly</td>
<td>Ch. 17</td>
<td>Chapter 17</td>
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<td>Th. 4/24</td>
<td>Externality</td>
<td>Ch. 10</td>
<td>Chapter 11</td>
</tr>
<tr>
<td>16</td>
<td>Tu. 4/29</td>
<td>Public goods and common resources</td>
<td>Ch. 11</td>
<td>Chapter 10</td>
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<td></td>
<td>Th. 5/01</td>
<td>Review (Chapters 16,17,10, and 11)</td>
<td>Ch. 11</td>
<td>Chapter 11</td>
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<td>Thursday, 5/08</td>
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<td>8:00AM-10:00AM</td>
<td>Fourth Exam (Chapters 16, 17, 10, 11)</td>
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In the event of disruption of normal classroom activities due to an H1N1 swine flu outbreak, the format for this course may be modified to enable completion of the course. In that event, you will be provided and addendum to this syllabus that will supersede this version.
How to access your Aplia course

ECO 120 Principles of Microeconomics

Instructor: Hsiang-Tai Cheng
Start Date: 01/13/2014
Course Key: 44XH-755A-KSX2

Registration

Aplia is part of CengageBrain, which allows you to sign in to a single site to access your Cengage materials and courses.

1. Connect to http://login.cengagebrain.com/
2. If you already have an account, sign in. From your Dashboard, enter your course key (44XH-755A-KSX2) in the box provided, and click the Register button.
   If you don't have an account, click the Create a New Account button, and enter your course key when prompted: 44XH-755A-KSX2. Continue to follow the on-screen instructions.

Payment

Online: After registering, you can buy access to Aplia from myhome.cengagebrain.com.

Bookstore: Purchase access to Aplia from your bookstore. Check with the bookstore to find out what they offer for your course.

You can use Aplia without paying until 11:59 PM on 02/02/2014. If you do not pay by this date, you will lose access to homework assignments and homework deadlines will NOT be reset for you. After paying, you will have the option to purchase a print version of the textbook at a discounted price.

For more information on registering for Aplia, please visit http://www.cengagebrain.com/aplia/.