

# Principles of Microeconomics (ECO 2023)

Instructor: Faisal Awwal

Fall 2019

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Office Hours: M-F 3-4 pm

Office Location: Viertes Haus (VH) 136

Instructor Website: [www.faisalawwal.com](http://www.faisalawwal.com)

Class Schedule (Days/Times): MWF/4-4:50pm

Class Location: Charles E. Perry (PC) 310

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## Course Description

Principles of Microeconomics is an introductory undergraduate course that teaches the fundamentals of microeconomics. At FIU, this is one of the first courses that undergraduates take in economics. For some, it may be the only course they take in the subject, and it provides a solid foundation for economic analysis and thinking that can last throughout their education and subsequent professional careers. For other students, it may provide a foundation for many years of study in economics, business, or related fields.

This course begins with the economic foundations and refresher of algebra and use of graphs. Then it introduces the concept of trade-offs, opportunity costs, and comparative advantage, which are the basis to trade. Following, it introduces supply and demand and the basic forces that determine an equilibrium in a market economy as well as the forces that can disrupt economic efficiency. Next, it will introduce a framework for learning about consumer behavior and analyzing consumer decisions. The final section of the course then turns our attention to firms and their decisions about optimal production, and the impact of different market structures on firms' behavior. If time allows, we can cover some of the more advanced topics that can be analyzed using microeconomic theory. These include international trade, the operation of capital markets, and dynamics of labor markets.

By the end of the course, you will be able to understand introductory microeconomic theory, solve basic microeconomic problems, and use these techniques to think about things ranging from a number of policy questions relevant to the operation of the real economy to personal questions involving day-to-day decisions.

## Course Goals

After completing this course, students should have developed a range of skills enabling them to understand economic concepts and use those concepts to analyze specific questions. By the end

of this course, students should be able to:

- Understand consumer behavior.
- Understand firm behavior.
- Analyze different types of market structures (monopoly, oligopoly and a competitive market).
- Understand how to apply economic principles to a range of policy questions.

Students should also have the skills needed to:

- Use supply and demand diagrams to analyze the impact of overall changes in supply and demand on price and quantity.
- Solve a consumer's utility maximization problem mathematically and graphically; analyze the impact of changes in price and income on a consumer's decision via shifting income and substitution effects.
- Solve a firm's cost minimization problem mathematically and graphically.
- Analyze the behavior of firms in a perfectly competitive market in the short-run and the long-run.
- Calculate producer and consumer surplus.
- Analyze the behavior of firms in a monopoly or oligopoly, and calculate the resulting changes in producer or consumer surplus.
- Use economic tools to analyze economic policies.

## Required Materials

- Microeconomics, 7<sup>th</sup> edition by Hubbard and O'Brien (ISBN-13: 9780134739458)
- Having access to the book is required.
- Access to **MyLab** is required: <https://www.pearson.com/mylab>.
  - Registration instructions, along with course ID are found [here](#).
- Access to **Canvas** is required to view syllabus and exam grades: (<https://canvas.fiu.edu/>)
- **FIU Check-In** (instructions in link) is required for attendance record.
- No. 2 pencil is required to complete exams.
- Basic Calculator is optional.
  - Cell phones, wireless devices, and programmable calculators are not allowed on the exams.

## Course Content

- Chapter 1: Economics: Foundations and Models
- Chapter 2: Trade-offs, Comparative Advantage, and the Market System
- Chapter 3: Where Prices Come From: The Interaction of Demand and Supply
- Chapter 4: Economic Efficiency, Government Price Setting, and Taxes
- Chapter 6: Elasticity: The Responsiveness of Demand and Supply
- Chapter 10: Consumer Choice and Behavioral Economics
- Chapter 11: Technology, Production, and Costs
- Chapter 12: Firms in Perfectly Competitive Markets
- Chapter 13: Monopolistic Competition: The Competitive Model in a More Realistic Setting
- Chapter 14: Oligopoly: Firms in Less Competitive Markets
- Chapter 15: Monopoly and Antitrust Policy

## Important Dates

1. Sep 2: Labor Day (no class)
2. Sep 3: Last Day to Withdraw w/ Full Refund
3. **Sep 23: Exam 1**
4. **October 21: Exam 2**
5. Nov 4: Last Day to withdraw from course w/ a 'DR' or 'WI' grade
6. Nov 11: Veteran's Day (no class)
7. **Nov 18: Exam 3**
8. Nov 29: Thanksgiving Break (no class)
9. **Dec TBD: Exam 4**

## How to be successful in this course

Successful students:

1. **Keep up w/ the material** - reading the chapter before class is necessary to understand the material.
2. **Are engaged** - attend class, be prepared, ask questions, and seek my help if you are having trouble with the material (see point 6).

3. **Complete HW assignments on time** - your homework is a good preview of exam material and they are worth 30% of your grade.
4. **Read and re-read the syllabus for any questions about the course** - it's a guide created for you to navigate the course successfully.
5. **Check FIU Emails** - I communicate with the class this way concerning updates about the course. You're responsible for the emails I send to you.
6. **Consult with me about any issues regarding the course** - I cannot help you if you do not let me know beforehand.

## Lecture

Lecture slides are available on [Canvas](#) and my [website](#).

## Grading Policy

I reserve the right to curve the grading scale contingent upon the overall class performance at the end of the semester. Any curve will only ever make it easier to obtain a certain letter grade. An 'Incomplete' ('I') will be given only under exceptional circumstances. Such circumstances like a medical emergency, for example, requires proper documentation in order to receive an 'I' grade and subsequently post-semester makeups to finish the course will ensue based on an agreement between the instructor and the student. Doing poorly in the course will not be considered a valid reason for an incomplete grade. Grade assessments and calculation are below:

- **60%** of your grade will be determined by 4 non-cumulative exams: 25% for the highest exam score, 20% for the 2<sup>nd</sup> highest exam score, 15% for the 3<sup>rd</sup> highest exam score), and the lowest exam score will be excluded from final grade.
- **30%** of your grade will be determined by MyLab homework. HW assignments will be assigned periodically throughout the semester and will be due at professor's discretion (usually one week from the date it is assigned). A maximum of two (2) attempts per homework are allowed and only the highest score will count. Past due assignments will have 10 percentage points deducted from your score for each day it is late.
- **10%** of your grade will be determined by class attendance and participation (5% each).

$$\text{Final Grade} = (\text{Highest Exam Score} * 0.25) + (2^{\text{nd}} \text{ Highest Exam Score} * 0.20) + (3^{\text{rd}} \text{ Highest Exam Score} * 0.15) + (\text{Homework Average} * 0.30) + (\text{Class Attendance} * 0.05) + (\text{Class Participation} * 0.05)$$

Table 1: Grading Scale

Letter	Range	Letter	Range	Letter	Range
A	90.00 or above	B	79.00- 83.99	C	67.00 - 72.99
A-	87.00 - 89.99	B-	76.00- 78.99	D	55.00 - 66.99
B+	84.00 - 86.99	C+	73.00 - 75.99	F	Below 55.00

## Available Support Services

- Tutoring services are available at the Economics Tutoring Lab in VH 136 on M-F from 9 am - 5 pm.
- There are great video tutorials on economics subjects on [Khan Academy](#) as well as [YouTube](#).
- Practice problems on MyLab as well as [problems](#) from Dr. David Aadland at University of Wyoming.

## Course Policies

### Attendance

Class attendance is required and will be taken with FIU Check-In. You need to download [FIU Check-In](#) (instructions in link). I reserve the right to withdraw you from the class without prior notice if you have **three or more unexcused absences consecutively**. Make sure to communicate with me if you know well in advance that you will be absent from class, be tardy to class, or leave class early.

### Tardiness

Be sure to arrive to class on time. If I notice that you come to class late frequently, I will mark you absent for the day.

### Cell Phones

Please silence your cellular phones during my lecture. If you need to use your phone, then quietly exit the classroom.

### Email Etiquette

Please be sure to address all emails to me with an appropriate subject in the subject header as well as proper salutation in the beginning of the text. Professionalism is an absolute must at this stage of your lives.

### Academic Dishonesty

Students are required to comply with the F.I.U. university policy on academic integrity found in the [Academic Misconduct](#). I have a **zero** tolerance for cheating and/or plagiarism. If I catch you cheating on exams or plagiarizing written material, then you will be subjected to the penalties established by FIU regarding that behavior, which may include but not limited to failing the course.

### Makeup Exams Policy

No makeup exams. You can use your missed exam as a drop from your overall exam score.

### **Accommodations for Students w/ Disabilities**

Reasonable accommodations will be made for students with verifiable disabilities. In order to take advantage of available accommodations, students must register at **Disability Services Office**. Discrimination based on race, color, religion, creed, sex, national origin, age, disability, veteran status, or sexual orientation is a violation of state and federal law and/or Florida International University policy and will not be tolerated.

**Please Note: Syllabus is tentative and subject to change at Instructor's discretion.**