COURSE OBJECTIVES

This course is designed to introduce you to the subject of economics, as it pertains to the behavior of consumers, firms, industries and society, and to their desires to get the most from limited means. By the end of this course, you should be able to:

- understand the basic issues of microeconomics, as illustrated by key economic facts and examples from around the world;
- know the basic methods of microeconomics, including 10 basic microeconomic principles, and how they are used to build theories of economic behavior;
- apply these principles of economics, to critically analyze and explain situations you encounter in the real world;
- appreciate how good economic thinking can help you as a local and global citizen contribute to the making of responsible public policy; and
- express your knowledge and understandings clearly and meaningfully in writing.

Specific learning objectives for each of the course topics will be available at the course Web site.

COURSE METHODS

To accomplish its objectives, the course relies on the following methods:

- in-class development of central ideas using lectures presented by the professor, and integrating student participation whenever possible;
- extensions and applications during workshop sessions (recitations) led by your Graduate Teaching Assistant;
- voluntary homework exercises and practice tests for you to gauge your own understanding and readiness;
- in-class and out-of-class writing assignments to induce you to learn by expressing ideas and applications in your own words;
- individual consultation between the student and the professor or GTA, as needed to ensure student understanding and to allow discussion to extend beyond the classroom; and
- confirmation and evaluation of student understanding using in-class multiple-choice tests.

Specifics of the lecture and discussion schedule and of the grading system are given below.
GRADING SYSTEM

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
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<th>Points</th>
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<tbody>
<tr>
<td>A+</td>
<td>480-500</td>
<td>B-</td>
<td>375-394</td>
</tr>
<tr>
<td>A</td>
<td>460-479</td>
<td>C+</td>
<td>340-374</td>
</tr>
<tr>
<td>A-</td>
<td>440-459</td>
<td>C</td>
<td>300-339</td>
</tr>
<tr>
<td>B+</td>
<td>420-439</td>
<td>D</td>
<td>250-299</td>
</tr>
<tr>
<td>B</td>
<td>395-419</td>
<td>F</td>
<td>0-249</td>
</tr>
<tr>
<td>Week</td>
<td>Dates</td>
<td>Topics</td>
<td>Reading</td>
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<td>--------------------------------------------</td>
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</table>
| 1    | Jan 20 - Jan 26| *What is microeconomics all about?*  
*WS: Variables and graphs* | Chapter 1  
Chapter 2 appendix |
| 2    | Jan 27 - Feb 2 | *How do we model economic choices?*  
*WS: The future vs the present* | Chapter 2 pp 25-32  
Chapter 9 |
| 3    | Feb 3 - Feb 9  | *So why do people trade?*  
*WS: Illustrating the gains from trade* | Chapter 2 pp 33-45 |
| 4    | Feb 10 - Feb 16| *What explains demand and supply?*  
*WS: Elasticity 1* | Chapter 3 pp 65-83  
Chapter 6 |
| 5    | Feb 17 - Feb 23| *How do supply and demand set price in a competitive market?*  
*WS: Elasticity 2* | Chapter 3 pp 83-96 |
| 6    | Feb 24 - Mar 2 | *What’s so good about markets?*  
*WS: Exploring the “surplus” concept* | Chapter 4 |
| 7    | Mar 3 - Mar 9  | Catch-up and review  
**Test #1 and BAR #1 on Thursday**  
*WS: Price and quantity controls* | Chapter 5 for WS |
| 8    | Mar 10 - Mar 13 and Mar 23| *What if we impose taxes on markets?*  
*WS: Taxes and equity* | Chapter 7 |

**Spring Break – Enjoy!**

| 9    | Mar 24-Mar 30  | *Is free international trade a good thing?*  
*WS: International financial markets* | Chapter 8 |
| 10   | Mar 31 - Apr 6 | *Why is pollution an economic issue?*  
*WS: Public goods* | Chapters 16 and 17 |
| 11   | Apr 7 - Apr 13 | Catch-up and review  
**Test #2 and BAR #2 on Thursday**  
*WS: Productivity and cost calculation* | |
| 12   | Apr 14 - Apr 20| *How does productivity affect cost and profit?*  
*WS: Decision making with fixed and sunk costs* | Chapter 11 |
| 13   | Apr 21 - Apr 27| *What is the competitive ideal?*  
*WS: Long-run comparative equilibrium analysis* | Chapter 12 |
| 14   | Apr 28 - May 4 | *How does market power affect the outcomes?*  
*WS: Oligopoly*  
**PEARL Essay due on Thursday 30 April** | Chapters 13 and 14 |
| 15   | May 5 - May 7  | Catch-up and review  
**Optional Test #3 and BAR #3 on Thursday**  
No WS | |
| Finals| May 12-May 16 | *Test #4 and BAR #4 on Wednesday, May 13, 6:20-8:20 pm* | |
BAR Assignments

Brief Analytical Response (BAR) assignments are short in-class writing exercises designed to let you summarize and consolidate your understanding of economic concepts through written expression. BAR assignments will be administered in class on test days.

You will be given a brief scenario to which you are to respond by writing a 100- or 150-word analytical essay applying economic concepts you are learning in class. Each BAR is worth 30 points. You are permitted to miss one, or to drop your lowest score. You will be scored on the following basis:

<table>
<thead>
<tr>
<th></th>
<th>Points possible</th>
<th>Points awarded</th>
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<tbody>
<tr>
<td><strong>Relevance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you addressed the question that was asked?</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td><strong>Analytical framework.</strong></td>
<td></td>
<td></td>
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<tr>
<td>Have you chosen a useful and appropriate approach?</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Understanding and application.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Did you apply the approach correctly to reach a defensible answer?</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Clarity of explanation.</strong></td>
<td></td>
<td></td>
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<tr>
<td>Did you explain your method, steps, and conclusion using clear, correct composition (complete sentences, logical expression of ideas?)</td>
<td>5</td>
<td></td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>30</td>
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Free Tutoring

Free tutoring normally is available for this course through the Arts & Sciences Tutoring Program. The program is located in the Russell George Great Hall in The Institute for Learning and Teaching (TILT), and runs 5 p.m. to 10 p.m., Sunday-Thursday evenings during the academic year. No appointment is necessary and all students are welcome. For more information or to verify the availability and schedule for Spring 2015, please visit:

http://tilt.colostate.edu/learning/tutoring/artSciences.cfm
PEARL essay assignment

The Principles of Economics Applied in Real Life (PEARL) assignment is an at-home writing assignment. Here are the detailed instructions:

- It is due Thursday 30 April. Late submissions will be penalized by 5 points for each day late.

- You are to choose a current newspaper article — it MUST be from 2015 — and write an essay of approximately 500 words explaining how the article illustrates one of the 10 Principles of Microeconomics in action:
  1. The 3 Fundamental Economic Questions
  2. The Principle of Rational Economic Decision Making
  3. The Principle of Rising Marginal Opportunity Cost
  4. The Principle of Comparative Advantage
  5. The Law of Diminishing Returns
  6. The Law of Demand
  7. The Law of Supply
  8. The Principle of Market Equilibrium
  9. The Principle of the Invisible Hand
  10. The Principle of Market Failure

- The article must be from a newspaper* (paper or on-line version), and you must submit a copy of your article with your essay. If the article is not a 2015 newspaper article, or a copy is not attached, your essay will not be accepted.
  *CNN.com, YahooNews, etc., are not newspapers, nor are blogs, trade industry publications, etc.

- Your essay is to be typed, double-spaced, with the following heading information:
  
  Your name and student number.
  The title of your chosen news article.
  The article’s identifying source information in detail (publication name, date, page number, author name, url if appropriate, etc.)
  The principle(s) that you see being illustrated in the article.

- It is not expected that you will find an article that explicitly makes reference to one of the Principles. Rather, you are to find an article that gives an example of some real-life situation in which you see one (or more) of the principles exemplified.

- Your essay should be clear and direct in its summary of the real-life situation and in its explanation of how that situation is an example of the Principle at work. The scoring rubric is given below. Composition refers to sentence and paragraph structure, spelling, word usage, grammar, etc.

<table>
<thead>
<tr>
<th>Scoring rubric</th>
<th>Points</th>
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<tbody>
<tr>
<td>The essay clearly identifies one (or more) of the 10 Principles as the subject.</td>
<td>15</td>
</tr>
<tr>
<td>The essay clearly identifies and summarizes interesting and relevant facts from the article in a factually rich way.</td>
<td>20</td>
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<tr>
<td>The essay shows a good understanding of the chosen Principle(s) and related theory.</td>
<td>25</td>
</tr>
<tr>
<td>The essay provides a clear, interesting, and accurate explanation of how the chosen example illustrates the chosen Principle(s).</td>
<td>25</td>
</tr>
<tr>
<td>Composition (sentence and paragraph structure, spelling, word usage, grammar, etc.) is substantially correct. Presentation format is appropriate.</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL</td>
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</table>
COURSE POLICIES
for
ECON 202, PRINCIPLES OF MICROECONOMICS
Professor Kling

1. RESPECT. Class will be conducted in an atmosphere of mutual respect among students, and between students, the professor and the GTA. Specifically:
   - The instructors of the course pledge to respect students’ right to learn, right to express themselves reasonably, and right to be treated fairly. They commit themselves to offering clear and useful course content and leadership, and to constructing fair and relevant examinations.
   - Students in the course pledge to protect each other’s right to learn, and to put forth their share of the effort required for the teaching-learning enterprise. Students commit themselves to informing themselves of course policies and schedule; doing their best to master the material presented; attending class; avoiding late arrivals, early departures, and irrelevant, discourteous or disruptive behavior in class.

2. ACADEMIC INTEGRITY. Students have an obligation to integrity in all academic work. This course will be administered consistent with the Academic Integrity Policy of the Colorado State University General Catalog and the Student Conduct Code. Student conduct must adhere to the policy, and so will instructor response to any incidents that arise. See http://tilt.colostate.edu/integrity/faqs/what_are_the_rules.cfm.

   Every submitted piece of work is subject to the following Honor Pledge:
   "I have not given, received, or used any unauthorized assistance. My written work is original to me."

   Violation of this pledge in even the slightest degree will result in an automatic grade of F in the course, and more severe measures according to University procedure. Other instances of course-related theft or dishonesty will be treated similarly.

3. TEST ADMINISTRATION. The following policies apply:
   - Early or late examinations or other special arrangements are offered only in cases of documented emergency or conflicts with sanctioned University activities. Students are not to make elective travel or other plans that conflict with the scheduled exams in the course in which they have registered.
   - A student may opt to miss one test for any reason whatsoever, and have that test grade be the one dropped.
   - A student arriving late to an exam session will be allowed to take the exam in the remaining time, so long as the student does not arrive after other examinees have left.
   - There will be no extra credit offered. The way to improve your grade from what it otherwise would be is to work hard to learn the material.

4. CHALLENGING TEST QUESTIONS. A student who wants to challenge the validity of a test answer, and who is not satisfied with the instructor’s preliminary explanation, may submit in writing the reason(s) a disallowed answer might be considered correct. Challenges should be submitted within 1 week of when exam scores are announced. The professor will give judicious consideration to the reasoning offered and will offer a timely written response that will be considered the final decision.

Please sign and submit a copy of this page attesting to your understanding and agreement.

I have read, I understand, and I agree to following the ECON 202 course policies stated here.

Name _____________________________ Student Number __________________

Signature __________________________