

Department of Agricultural Food and Resource Economics
11:373:121:02 Principles and Applications of Microeconomics
Updated Syllabus (Based on Microeconomics 20th Edition), Fall

General Course Information

Instructor: John Italia
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Class Period: Monday and Wednesday 6th Period (5:35PM – 6:55PM), Loree 024

Text: *Microeconomics*, McConnell, Brue and Flynn, McGraw-Hill, 20th edition

Grading: Two Hourly Exams 50 %
Final Exam (Cumulative) 30 %
Quizzes (5 Quizzes drop lowest) 20 %

A = 90 - 100	C = 70 - 75
B+ = 87 - 89	D = 64 - 69
B = 80 - 86	F = Below 64
C+ = 76 - 79	

Make-ups: Make-ups for quizzes or exams only with special arrangements made in advance or with proper documentation (physicians note etc.).

Attendance: Students are expected to attend class for the entire period. Late arrivals or early departures are disruptive to other students. Attendance will be taken during each class period.

Readings: It is not necessary to read the text chapter(s) being covered prior to lecture, though I recommend completing the readings soon after they are discussed in class. When reading the text, pay particular attention to the sections marked "Key Graph."

You will not be tested on any section of the textbook omitted in class. However, approximately 15% of the material for which you are responsible will only be presented during lecture and does not appear in the textbook. Therefore, it is essential to attend class regularly and to finish all the assigned reading. I will specifically call attention to any topics introduced in class that are not found in the textbook.

Office Hours: I will be available after each lecture and by appointment. I also hold optional review sessions before each of the hourly exams. *Please do not hesitate to contact me at any time by phone, email or arrange a time to meet in person.* If you are having trouble with the subject material let me know!

Course Objectives

1. To familiarize you with a fundamental set of economic concepts while exploring real world examples
2. To build a strong foundation in preparation for intermediate courses in Microeconomics
3. To develop your ability to use microeconomic concepts in basic economic analysis (graphical and quantitative)
4. To build marketable analytical and critical thinking skills which are attractive to employers

Course Learning Objectives (Satisfies Learning Goals ECN and SCL)

1. To demonstrate an understanding of the concepts of scarcity and opportunity cost and the use of marginal analysis to evaluate tradeoffs and make decisions
2. To demonstrate the ability to apply basic constrained optimization techniques to choices made by households, firms, and government
3. To demonstrate an understanding of how supply and demand interact to determine prices, allocate resources, and the optimal decision-making that underlies market outcomes
4. To build an understanding of consumer behavior, utility maximization and sensitivity to price changes.
5. To identify, analyze and explain the choices faced by producers about pricing and output across various market structures
6. To describe the role of public policy intervention in cases where markets fail to perform optimally by evaluating the impact of externalities and tax policies

MEETING	TOPICS COVERED	ASSIGNED READING
1	Course Introduction / Scarcity / Rational Self Interest / Marginalism	None
2	Nature and Method of Economics / Graphs / Understanding Trends in Data	Appendix to Chapter 1
3	The Economizing Problem / Opportunity Cost / Production Limitations	Chapter 1
4	The Market System / Circular Flow Model / Capitalism vs. Socialism	Chapter 2
5	(QUIZ 1 - Lectures 1, 2, 3 & 4)	
6	Specialization / Comparative Advantage / Gains from Trade	Chapter 24**
7	Demand and Supply: Determinants of Demand and Supply	Chapter 3
8	Demand and Supply: Market Equilibrium	None
9	Demand and Supply: Elasticity	Chapter 6
10	Consumer and Producer Surplus / Government / Public and Private Goods	Chapter 4**
11	(QUIZ 2 – Lectures 7, 8, 9)	
12	Consumer Behavior and Utility Maximization	Chapter 7
13	Indifference Curve Analysis: Budget Constraints and Utility Maps <i>Review for Exam One – location TBD</i>	Appendix to Chapter 7 <i>8PM (optional)</i>
14	HOURLY EXAM ONE (Lectures 1 – 12)	None
15	The Costs of Production / Short Run Production Relationships	None
16	The Costs of Production	Chapter 9
17	The Costs of Production	None
18	Pure Competition	Chapter 10
19	(QUIZ 3 – Lectures 13, 15, 16 & 17)	
20	Pure Competition	Chapter 11
21	Pure Monopoly	Chapter 12
22	Pure Monopoly	None
23	(QUIZ 4 – Lectures 18, 20, 21 & 22)	
24	Monopolistic Competition and Oligopoly	Chapter 13
25	Government: Market Failure / Externalities / WTP for Public Goods <i>Review for Exam Two – location TBD</i>	Chapter 4** <i>7PM (optional)</i>
26	HOURLY EXAM TWO (Lectures 13 - 24)	None
27	Government: Public Finance / Economics of Taxation / Deadweight Loss	Chapter 18**
28	(QUIZ 5 - Lectures 25 & 27) <i>Review for Final Exam – location TBD</i>	<i>7PM (optional)</i>
29	FINAL EXAM (8:00 AM to 11:00 AM)	None

** : Only selected pages will be assigned from chapters marked by asterisks.