

William & Mary  
Spring 2020

## SYLLABUS

### ECON 101 - 01. Principles of Microeconomics

T/R. 12:30–1:50PM. Washington Hall 201

Instructor: Thomas P. LaSalvia, PhD  
Office Location: Tyler 230  
Office Hours: W: 2-4, F: 10-12, appointments, walk-in  
Email: tplasalvia@wm.ed

**Course Description:** Economics is the study of how individuals and societies make rational choices when confronted with scarce resources and an uncertain environment. As a social science, economics provides a rigorous framework in which to organize observed economic phenomena so that we may come to some understanding of the world around us.

Economics is divided into two branches: microeconomics and macroeconomics. Microeconomics is concerned with how individuals and firms make decisions within the context of an isolated market. Macroeconomics, on the other hand, is concerned with how the economy as a whole behaves over time.

This course is about microeconomics. During this semester you will be introduced to fundamental economic theory and it relates to the components and mechanics of a market economy. You will learn how and why markets may function well and not so well. You will also learn about the impact of government intervention on market processes. Above all else, I hope that you come away from this course with a useful framework for which to make some sense out of this world.

#### **Course Objectives:**

Observe, Model, Comprehend, Forecast, Communicate

Economists critically observe their surroundings and model what they see using a few fundamental concepts. These simplifications of reality are then used for

gaining a deeper comprehension of those surroundings, as well as forecasting the outcomes of a “shock” (a change to the status quo, government intervention, etc.).

Students will gain a working knowledge of:

- Marginal thinking
- Cost / Benefit analysis
- Consumer and producer theory
- Markets (the interaction of consumers and producers)
- Economic welfare (consequence of market actions for society)
- Market structures (monopoly, competition, etc.)
- Communicating as an economist  
(how to think and discuss using econ. rationale)

**Prerequisite:** Knowledge of basic algebra and graph comprehension is required for success in this class. (Please review on your own or see me for additional help when necessary)

**Important Dates:** Add/Drop: January 31. Withdraw: March 23.

**Course Structure and Assessment:** We all learn differently. Due to this, a combination of lectures, readings, a short analytical paper, short answer assignments, and exams will be used.

The below descriptions, dates and weights are **approximates** and subject to minor adjustments.

| <u>Assignment Type &amp; Amount</u> | <u>Weight (each)</u> |
|-------------------------------------|----------------------|
| Quiz (2)                            | 5%                   |
| Within Term Exam (2)                | 20%                  |
| Comprehensive Final Exam (1)        | 35%                  |
| Market Analysis (1)                 | 15%                  |
| Total                               | 100%                 |

**Quizzes:** Prior to exam 1 and between exams 1 and 2. (I will give 1 week notice)

**Within Term Exams:** Week 5 or 6, Week 11 or 12

**Final Exam:** May 12, 9am

**Market analysis** will be due on the Friday prior to the last week of class. You will discuss your chosen market, highlighting the supply curve, the demand curve,

government involvement and/or externalities, and the current events affecting your market. \*\*\*This is not a research paper; you are graded on how you translate general observations into graphs and equations. (More details will follow.)

Grading (Individual Questions): A - F scale. (4 – 0 equivalence)

- F (0) = nothing of economic value
- D (1) = an economic thought, graph, or equation
- C (2) = an economic thought, graph, and/or equation in the right direction
- B (3) = an economic thought, graph, or equation in the right direction with a small mistake
- A (4) = complete and correct economic thought, graph, and/or equation (full communication as an economist, based on in-class discussions)

\*\*For partial credit, you are graded on how you answer the question. Did you call upon the proper fundamental concept and how close were you to having consistency of that concept with the required graph or mathematics.

\*\*Individual assignment grades will be determined using the traditional GPA calculation method (Each question receives an A – F. Covert to points. Total points divided by the number of questions determines the GPA).

\*\*Final grades will be determined by weighting each assignment level GPA and then using the below scale.

Grading Scale:

|      |            |      |            |
|------|------------|------|------------|
| A =  | 3.8 - 4    | A- = | 3.5 – 3.79 |
| B+ = | 3.2 – 3.49 | B =  | 2.8 – 3.19 |
| B- = | 2.5 – 2.8  | C+ = | 2.2 – 2.49 |
| C =  | 1.8 – 2.19 | C- = | 1.5 – 1.79 |
| D+ = | 1.2 – 1.49 | D =  | 0.8 – 1.19 |
| D- = | 0.5 - 0.79 | F =  | 0 – 0.49   |

**Text (Recommended):** Mankiw, G. Principles of Microeconomics. 7<sup>th</sup> ed. South-Western College Pub, 2014. (Any principles level microeconomic text will do, you really just want a reference to call upon when needed.)

Readings: (in this approximate order, but once again – use more as a reference, what you need to know is discussed in class)

Week 1 – 4 (first exam): Pages 3-11 / 37 – 42 / 47 – 58

Week 5 – 12 (second exam): Pages 65 – 85 / 89 – 93 / 98 – 106 / 135 – 150 / 111 – 128 / 155 – 168 / 195 – 207

Week 13 – 15 (pre final): Pages 259 – 262 / 267 – 271 / 279 – 284 / 289 – 295 / 299 – 313 / 329 - 343

### **Supplemental Material:**

Read/watch the news. Any article or video you see that interests you and relates to markets, firms, or consumers please share with the class.

Frank, R. The Economic Naturalist. Basic Books, 2007

Mundell, R. Man and Economics, McGraw-Hill, 1968

<http://economicshelp.org>

EconLit & The Economist

<https://libraries.wm.edu/databases/by-subject/411> (W&M library)

### **Writing Resources Center (WRC) - Communications Related**

The Writing Resources Center, located on the first floor of Swem Library, is a free service provided to W&M students. Trained consultants offer individual assistance with writing, presentation, and other communication assignments across disciplines and at any stage, from generating ideas to polishing a final product. To make an appointment, visit the WRC webpage [www.wm.edu/wrc](http://www.wm.edu/wrc) .

### **Student Accessibility Services:**

"William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at [sas@wm.edu](mailto:sas@wm.edu) to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please visit [www.wm.edu/sas](http://www.wm.edu/sas)."

## **Course Policies:**

You must be **respectful** to everyone.

Do not text

Do not talk while others are talking.

Do not use the web for non-relevant activities.

Do not be late.

Do not leave early.

Do not miss class.

Do not be a loud consumer of food or drink.

If you need to leave early or need to leave your phone on because of an expected important call, please tell me at the beginning of class.

We will have lots of fun and learn useful and interesting material if we can all follow these policies. **I genuinely want to help all of you.**

### **Be a kind and thoughtful human being**

\*\*\* I respect your desire to use a computer for note taking, but recommend paper and pencil for this class. Sometimes traditional approaches are better.

### **The William & Mary Pledge**

"As a member of the William and Mary community, I pledge on my honor not to lie, cheat, or steal, either in my academic or personal life. I understand that such acts violate the Honor Code and undermine the community of trust, of which we are all stewards."