



Department of Economics
University of Southern California
ECON 203 26001D PRINCIPLES of MICROECONOMICS
UNITS: 4 Fall 2022 meeting time: Monday/Wednesday 8.30-9.50am
Discussion sessions: section 26002R on Wednesday 6-6.50pm
section 26003R on Thursday 6-6.50pm
section 26006R on Friday 11-11.50am
section 26010R on Monday 6-6.50pm

We will use BLACKBOARD for ALL course content, announcement, and communications. We will also use CENGAGE MINDTAP for assignments, practices, and interactive material. This class is FULLY in PERSON, so no zoom recordings will be available.

CLASS MEETING: We'll meet **Monday/Wednesday 8.30-9.50am at GFS 106 (Grace Ford Salvatori Hall).**

INSTRUCTOR: Yilmaz Kocer kocer@usc.edu **Office:** KAP 118. I will respond to emails most probably within an hour or two (will not exceed 24 hours for sure) if sent during reasonable hours 9am-11pm, weekday or weekends. Please write ECON 203 in the subject line in your emails. I will be more vigilant on being prompt with my replies closer to exams or assignment deadlines to be of immediate help.

TEACHING ASSISTANT(s): Your TAs (Sangyoon Nam namsangy@usc.edu and Amanda Ang qang@usc.edu) are going to hold the discussion sessions and separate office hours, where you can ask your questions about Cengage Mindtap homeworks or problems & applications, the content we study in the class meetings. The discussion sessions and the office hours are the venues where you will practice course material and concepts through technical and mathematical problems. Discussion sessions will also solve practice problems I have chosen or go over selected practice material from Cengage Mindtap.

OFFICE HOURS: I will be available in person in my office **KAP 118** and on [personal zoom room](#), **Wednesdays 4.30-5.30pm**. I will announce many extra office hours as demand arises throughout the semester. If you can't make them or if you have a short question, email me to arrange another time to meet on zoom or in person.

REQUIRED TEXT and EDUCATIONAL PLATFORM: We will use **CENGAGE MINDTAP for Principles of Microeconomics, 9th Edition by N. Gregory Mankiw.** The Mindtap circuit is integrated under Blackboard's contents tab, registration information for the Mindtap platform (and purchasing **mindtap+etextbook bundles**) are [HERE](#). Follow through the cengage link under contents on blackboard and you will be able to purchase the etext + mindtap bundle. Please make sure you obtain Mindtap, not just the textbook (or a e-textbook alone) as a critical chunk of your grades will be accrued through Mindtap activities. Contact me if you have a problem registering to Cengage Mindtap.

Course BLACKBOARD Website: All course materials; instructions, announcements, discussions, feedback, exams, answer keys, your grades ...etc. will be posted on Blackboard. I already put the *textbook's powerpoint presentation slides* and the whole *solution manual* for the end of chapter problems, each in one single pdf file. I do not always follow the slides, but I believe it is a good review tool for you to go over before the exams, as a short summary of material.

COURSE DESCRIPTION: This course provides an entry point to the world of economics, in particular microeconomic theory and applications. This is a course on how the market mechanism operates and allocates scarce resources to participants. We will first study market demand and supply and the ensuing competitive equilibrium. We will develop tools to analyze the welfare consequences of a market outcome. Then we will analyze some government price control policies and taxes and their effects on welfare. We will analyze how

free trade effects the welfare of economic agents, how tariffs effect participants' welfare. We will consider economic interactions involving externalities, public goods or common resources. After briefly focusing on the firms' side we will study the short run and long run equilibrium in the market with reference to the firms' cost structures. Next, we will turn our attention to market power; that is, markets that are not perfectly competitive. Here we will study monopoly, monopolistic competition and oligopoly models and compare the price, quantity and welfare implications with that of a perfectly competitively arranged market. Lastly, we will "deconstruct" the demand curve and dig into the mathematical model of optimal consumer choice. We will close (if time permits) with a set of modern microeconomic applications at the frontier.

PREREQUISITES: Basic algebra so that you can **1)** Solve one variable (x) linear equations, plot the corresponding line as a graph, calculate its slope, intercepts, etc. **2)** Solve a system of two linear equations in two variables (x,y). **3)** Find the area of a rectangle or a triangle on the cartesian plane. Mindtap has good review material on some basic math in the first chapter.

LEARNING OBJECTIVES:

At the successful completion of this course, students will be able to:

- Solve for the market equilibrium for a given demand and supply.
- Calculate the effects of a given elasticity for a given price change on the quantity and on the total revenue.
- Evaluate and compare the effects on prices, quantities and welfare of price controls, tariffs or tax policies.
- Evaluate the impact of externalities on market outcomes.
- Assess and quantify the impacts of firms' technologies on the short run and long run equilibrium prices.
- Identify the effects of market power, product differentiation, advertising on economic variables in a market.
- Critically evaluate the assumptions behind the theory of optimal consumer choice.
- Understand how economic models can enlighten discussions about political economy.

GRADING CRITERIA:

Grading component	%weight
Midterm 1 October 10th Monday	18%
Midterm 2 November 30th Wednesday	18%
CENGAGE MINDTAP homework assignments and quizzes	37%
FINAL EXAM December 7th Wednesday 8-10am	27%

Class Participation

Even though it is not directly part of your grade, your attendance and active presence in class is essential. Stay engaged, ask questions if anything is unclear, suggest answers to questions I pose, read the textbook and practice with as many problems (on Cengage Mindtap) as you can.

CENGAGE MINDTAP assignments Cengage Mindtap has abundant resources in the form of practice quizzes, chapter quizzes, assignments, readings, videos...etc. For each chapter generally there are 4 pieces of gradable elements: **1) Chapter Quiz, 2) Problems and Applications, 3) Homework , 4) A+ Test Prep**

I will **only** assign each chapter's (2) *Problems & Applications* and (3) *Homework* MindTap assignment, mentioned above, to be counted towards your grade. They must be completed by specific deadlines and multiple attempts are allowed and the highest graded attempt is used. The totality of Cengage Mindtap engagement and grades will comprise %37 of your course grade. **Check Cengage regularly after each class to see if there is any assigned graded component for that week and the deadline.**

Exams

All will be taken without books or notes, and no cell phones are allowed. Calculators are allowed, even though I don't think you'll need it. I assume you'll abide by the student [academic integrity code](#) in your actions and ethics.

The final exam (December 7th Wed 8-10am in class), will be cumulative, and it is similar in structure but **%50** longer than a midterm. **The midterm exams will NOT be cumulative**; for example, Midterm 2 will only cover the material covered after midterm 1.

Both midterms and the final exam will include 1) A multiple choice questions part and a 2) 2-4 Short technical problems with 2-4 parts requiring very basic math, or some interpretation of what we have learned in class.

If you ever have a conflict with an exam date, see me as soon as you are aware of it.

There is no makeup exam for midterms! *If you miss a midterm for any unjustified reason you will get a score of 0 !! If for a justified reason (bring me the doctor's note in this case) you are going to miss any midterm exam let me know ASAP, BEFORE the midterm; and I will distribute its weight to upcoming exams*

Let me know (email me!) ASAP if you are (for a legitimate reason) unable to take a midterm, so that we can make arrangements.

I will post my own questions for practice for the midterms and the final. It contains around 2-4 problems per each chapter, hence around 30-40 problems in total (with answers) will be posted. These practice problems are meant to be complementary to the MindTap assignments, hence they might be different in style and sometimes even harder than MindTap, and algebraic/technical in nature. Your TA will go over these in discussion sessions throughout the semester. **60%** of the midterms and the final exam content will involve problems very similar to these practice problems or your MindTap assignments. The remaining **40%** of the midterms and the final will be hard multiple choice questions very similar (sometimes identical) to questions from MindTap **(1) Chapter Quizz** or **(4) A+ Test Prep**. Sections mentioned above.

Regrade Requests: If you feel your work was graded incorrectly, please submit your work and a brief written explanation of your argument to your TA. We will regrade the entire answer, which means that your score may go down.

How to do well in this course: Listen to the lectures carefully and read the relevant sections from your book beforehand. Practice with Mindtap problems, **AS MANY AS YOU CAN!** The Mindtap Cengage platform has abundant practice quizzes, problems, assignments some of which will be applied towards your grade. Make sure to understand the reason behind every equation in the textbook and in the problems. As a general rule, the GRAPHS in your textbook summarizes the most important %80 content of the ideas; so make sure you understand what is going on in the graphs in the textbook. Work with your friends on the difficult problems. Learn from each other. Seek help from me and your TA; we are here to help you.

TOPICS AND TENTATIVE OUTLINE

Week	Dates	Topic	Mankiw Readings
1	Aug 22, 24	Introduction, Microeconomics Overview, basic principles	Ch.1, Ch.2
2	Aug 29, 31	Gains from Trade, comparative/absolute advantage	Ch.2, Ch. 3
3	Sep 7	Demand and Supply model; its determinants and applications	Ch.4
4	Sep 12, 14	Demand and Supply, Elasticity	Ch.5
5	Sep 19, 21	Welfare and efficiency, Government interventions	Ch.7. Ch.6
6	Sep 26, 28	Government interventions; price controls and taxes	Ch.6, Ch.8
7	Oct 3, 5	Price controls and taxes, Review for midterm 1	Ch.8
8	Oct 10, 12	Midterm 1 , International trade, tariffs	Ch.9
9	Oct 17, 19	Externalities, Public Goods and Common Resources	Ch.10, Ch.11
10	Oct 24, 26	Firm behavior and Costs	Ch.13
11	Oct 31, Nov 2	Firms in competitive markets, Monopoly	Ch.14, Ch.15
12	Nov 7, 9	Monopoly, Monopolistic Competition model	Ch.15, Ch.16
13	Nov 14, 16	Oligopoly, Game Theory	Ch.16, Ch.17
14	Nov 21	Theory of Consumer Choice	Ch.21
15	Nov 28, 30	Theory of Consumer Choice, Midterm 2	Ch.21
		FINAL EXAM 12/7 Wednesday 8-10am	

Statement on Academic Conduct and Support Systems

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct.

Support Systems:

Student Health Counseling Services - (213) 740-7711 – 24/7 on call

engemannshc.usc.edu/counseling Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call suicidepreventionlifeline.org Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-4900 – 24/7 on call engemannshc.usc.edu/rsvp Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED) | Title IX - (213) 740-5086 equity.usc.edu, titleix.usc.edu

Information about how to get help or help a survivor of harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following protected characteristics: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations.

Bias Assessment Response and Support - (213) 740-2421 studentaffairs.usc.edu/bias-assessment-response-support

Avenue to report incidents of bias, hate crimes, and microaggressions for appropriate investigation and response.

The Office of Student Accessibility Services - (213) 740-0776 <https://osas.usc.edu/>

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Support and Advocacy - (213) 821-4710 studentaffairs.usc.edu/ssa Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101 diversity.usc.edu Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call dps.usc.edu

Non-emergency assistance or information.