

**Fall 2014 Course Outline**  
**ECONOMICS 203-Principles of Microeconomics**  
**University of Southern California, Department of economics**  
**#26001R Tue, Thu 3:30-4:45 pm, Room: GFS-106**

**Manochehr Rashidian**

Office Hours: Tue, Thu, 2:00 - 3:00 p.m., KAP 116B. If my office hours are not convenient for you, I am also available by appointment.

Email: [rashidia@usc.edu](mailto:rashidia@usc.edu)

<b>Teaching Assistant</b>	<b>Office Hours</b>	<b>Discussion Sec.</b>	<b>Email Address</b>
Michele Fioretti KAP-363	10:00-11:00 Mon 12:00-3:00 Mon	6:00-6:50 Tue 6:00-6:50 Thu	<a href="mailto:fioretti@usc.edu">fioretti@usc.edu</a>
Dan Zacharia KAP- 337	10:00-12:00 Wed 8:30-10:30 Fri	11:00-11:50 Fri 12:00-12:50 Fri	<a href="mailto:dzachari@usc.edu">dzachari@usc.edu</a>

I recommend informing your TA via email prior to visiting his/her office.

**Course Objectives:**

This course gives attention to economic theories and concepts underlying consumer and producer choice theory for both competitive and non-competitive markets. The purpose of this course is to familiarize the students with these concepts and to provide them with necessary background to use these concepts as decision-making tools. Emphasis will be placed on the optimization behaviors of the individual consumer, worker, firms, industries and markets.

**Course text:**

*Microeconomics* by Paul Krugman and Robin Wells, 3<sup>rd</sup> Edition.  
Study Guide (optional, recommended)

Book Companion Site for Macroeconomics by KW:

[http://bcs.worthpublishers.com/krugmanwellsmicro3/default.asp#t\\_768077](http://bcs.worthpublishers.com/krugmanwellsmicro3/default.asp#t_768077)

The book companion site serves students as a free online study guide. It contains self tests quizzes, flash cards and other helpful tools. Students are encouraged to explore the companion site.

**Examinations and Homework:**

The list of homework assignments from the end of chapter problems and questions is on the last page of the syllabus. Homework assignments must be turned in on time and typewritten. The due date for each homework assignment will be announced in class and/or posted on Blackboard. Students have the option of uploading their homework assignments on Blackboard or turning it in to their TAs during their discussion session. There will be no credit for late homework once the solution is posted online. There will be 4 short quizzes, a midterm and a final exam. The quiz with the lowest grade will be dropped and the remaining 3 will count toward your final grade. Quizzes are non-cumulative and consist of multiple choice and possibly short answer questions. The midterm exam is cumulative and consists of multiple choice questions and short answer questions and problems. The final exam is the same format as the midterm exam and will cover most of the chapters.

Weights of homework and exams:

Class participation	5%
Homework	10%
Quizzes	30% (10% each)
Midterm exam	25%
Final exam	30%

Exam schedule is:

Sept. 16 <sup>th</sup>	Quiz 1
Oct. 2 <sup>nd</sup>	Quiz 2
Oct. 16 <sup>th</sup>	Midterm Exam
Nov. 6 <sup>th</sup>	Quiz 3
Nov. 25 <sup>th</sup>	Quiz 4
Dec. 16 <sup>th</sup>	<b>Final Exam 2:00-4:00 pm.</b>

**Policy on Missed Exams:**

Students must take the exams as scheduled. There will be no make-up exams unless a student has a valid medical excuse and can provide documentation for such an excuse, or if a student cannot take the exam because of extenuating circumstances, and prior arrangements are made with the instructor if possible. The student will receive zero credit for unexcused missed exams. Student will receive an F for course if final exam is missed for unexcused absence regardless of student's performance during the semester. If a student has a valid reason for missing the final exam, and can document it, he/she will be awarded an incomplete.

**From DSP Office:**

Students requesting academic accommodations based on a disability are required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP when adequate documentation is filed. Please be sure the letter is delivered to me (or to TA) as early in the semester as possible. DSP is open Monday-Friday, 8:30-5:00. The office is in Student Union 301 and their phone is (213) 740-0776.

**Academic Dishonesty:**

The academic integrity violation under student conduct code is described as:

*"Cheating on examinations such as communications with fellow students during an exam, copying material from another student's exam, allowing another student to copy from an exam, taking an exam for another student, use of unauthorized material or device during exams, and/or any behavior that defeats the intent of an exam or other class works."*

I will always seek maximum penalty allowed in the event of cheating.

**Grading:**

The course will be graded on regular scale of 100% unless class average falls short of my expectations. In that case, I will use a curve based on the average grade of students who actually complete the course. The class average is usually a B-.

**Note:**

- 1- To prevent disruptions in lecture, students should come to class on time.
- 2- Attendance to lecture and the discussion session is mandatory. Missing class will reduce your class participation points.
- 3- Students are advised to take notes during class, because exam questions are mostly on the subjects discussed in the class. You should also know that your notes are not substitutes for the text.
- 4- Solutions to homework assignments and exams will be posted on the blackboard after they are completed.
- 5- You should check your grades on the blackboard regularly and if you see any discrepancies, inform the instructor or your TA immediately.
- 6- Students should be aware that this course is designed in such a way that knowledge of the prerequisites is essential to passing the course.

**Topics:**

- Chapter 1: What is Economics- A brief overview of the principles of economics
- Chapter 2: Economic models and the role of assumptions, Absolute and comparative advantage and gains from trade
- Chapter 3: Demand and Supply-Shifts of demand and supply curves, Equilibrium and changes in equilibrium
- Chapter 4: Consumer and Producer Surplus, Market Efficiency, Market Failure
- Chapter 5: Price control, Quantity control, Inefficiencies and deadweight loss
- Chapters 6: Elasticity, Measuring various elasticity, Interpreting elasticity, Determinants of elasticity
- Chapter 7: Taxes, Who bears burden of taxes? Structure of tax system, Equity vs. efficiency
- Chapter 9: Decision making by individuals and firms, marginal cost and marginal benefit analysis, Accounting vs. Economic costs
- Chapter 10: The rational consumer and utility maximization, Marginal utility and the demand curve
- Chapter 11: The production function, Marginal and average product, The cost function, Marginal and average costs, short run and long run costs
- Chapter 12: Firms in perfectly competitive markets, profit maximization and supply curve of competitive firms in the short-run and long-run, Market supply curve
- Chapter 13: Monopoly firms and market power, Monopoly and profit maximization, public policy and natural monopolies, Welfare effects of monopolies, Monopoly vs. perfect competition, Price discrimination
- Chapter 14: Oligopoly, The equilibrium for an oligopoly, Oligopoly in practice, Oligopoly and game theory, Product differentiation
- Chapter 15: Monopolistic competition, differentiated product and advertising, Short-run and long-run equilibrium
- Chapter 16: Externalities, Economics of pollution, Private and public solutions to externalities, Positive externalities
- Chapter 17: Public goods and common resources, Cost-benefit analysis and optimum amount of public good, Efficient use of common resources
- If time allows we will cover parts of chapters 18 & 19. Assignments from chapter 18 and 19 will be announced later.

Homework Assignments:

Chapter	Problem
1	3, 4, 7, 9, 11
2	2, 4, 6, 10,15
3	4, 6, 12,15,17
4	2, 5, 7, 9,10
5	2, 4, 8, 10,11
6	3, 4, 8, 9, 12
7	2, 6, 7, 8, 14
9	3, 5, 7, 9, 11
10	5, 6, 7, 9, 12
11	2, 8, 10, 13, 16
12	4, 5, 6, 8, 10
13	3, 7, 8, 10, 11
14	4, 5, 6, 8, 9
15	1, 5, 7, 10, 12
16	1, 2, 4, 8, 10
17	2, 5, 7, 10, 12
18 and 19	will be announced later