

Point Loma Nazarene University
ECONOMICS 3010 - Intermediate Microeconomics

Course Schedule: Spring 2020

January 16 – April 30, 2020 Tuesdays & Thursdays – 11:00 am-12:15 pm (3 units) First day of class: Thursday January 16 Final: Thursday, May 7 – 10:30 am-1:00 pm	PLNU Main Campus Fermanian School of Business (FSB) Room 105
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------

Course Instructor

Rebecca A. Havens, Ph.D. Professor of Economics	Office: 619-849-2293 Email: beckyhavens@pointloma.edu
Office: Fermanian School of Business, Room 125 PLNU main campus: 3900 Lomaland Drive, San Diego, CA 92106	Office Hours: <i>Dr. Havens is available most Mondays after 3 pm, and Tuesday/Thursday afternoons (please make an appointment to confirm)</i>

Getting Started

Textbooks: 1. <i>Microeconomics and Behavior</i> , by Robert H. Frank, 9 th edition, McGraw-Hill Irwin, 2015. 2. Articles and supplemental materials distributed on Canvas.
Log-in to Canvas: https://canvas.pointloma.edu <i>Canvas is the web-based course management system that will be used to access instructional materials (power points, homework, assignments, activities, etc.) and submit assignments completed outside class.</i>

Point Loma Nazarene University (PLNU) Mission

<i>To Teach – To Shape – To Send</i> <i>Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service becomes an expression of faith. Being of Wesleyan heritage, we aspire to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.</i>

Fermanian School of Business (FSB) Mission

<i>More than the bottom line – business education to change the world.</i> <i>To provide the world, business leaders who demonstrate Christlike character.</i>

Course Information

Catalog Description: This course will prepare the student in fundamental conceptual foundations of microeconomics at the intermediate level, including consumer theory, producer theory, market equilibrium, the structure of markets, general equilibrium, and exchange. A primary focus will be on analytical thinking skills, economic problem-solving, and real world applications. Prerequisite(s): <i>ECO 1002 and MTH 1073 or equivalent.</i>
Purpose: This course is about thinking like an economist. Consumer and producer behavior, optimal choice in the presence of resource constraints, market exchange and structure, and economic issues pertaining to everyday life will be considered and analyzed. Mathematical tools will be used to achieve understanding of economic concepts at an intermediate level.
Course Credit Hour Information: In the interest of providing sufficient time to accomplish the stated Course Student Learning Outcomes, this class meets the PLNU credit hour policy for a 3 unit course delivered over 15 weeks. Specific details about how the class meets the credit hour requirement can be provided upon request.

FSB Program Learning Outcomes (Core PLOs)

Students who complete the program in Business Administration will be able to:

1. Exhibit general knowledge of theories and practices in the core areas of business.
2. Critically analyze and apply business knowledge to solve complex business situations.
3. Demonstrate effective business communication through both written and verbal means.
4. Formulate decisions informed by ethical values.
5. Collaborate effectively in teams.

Course Learning Outcomes (CLOs)

Students who complete this course will be able to:

1. Understand and apply economic thinking to everyday life situations.
2. Understand market exchange, including demand, supply and price as a device to ration scarce resources.
3. Understand the behavior of consumers and firms from an economic perspective.
4. Understand the benefits and limits of rational choice as a model to explain human behavior.
5. Apply mathematical optimization techniques to economic decisions made by consumers and firms.
6. Understand the role of altruism in economic behavior.
7. Evaluate the impact of competitive or non-competitive market structures with respect to the efficient or inefficient allocation of society's resources.
8. Analyze the impact of policy options on economic outcomes.
9. Understand the microeconomic foundations of significant social issues.
10. Consider how Christians think about economic issues.

Course Philosophy and Expectations

Class Time: The instructor will utilize a variety of teaching methods, including presentation, discussion, interactive exercises, problem sets, and faith reflections. Dr. Havens believes that students should be active participatory learners, not passive inactive observers. The instructor will involve students in active learning exercises throughout the course in order to gain a deeper understanding of concepts, mechanics, interpretation, and applications. The instructor's philosophy is that learning should be engaging, and she will make every attempt to encourage students and reduce the fear factor in learning the mathematical models underlying economic theory. Relevant economics applications of mathematical concepts and the significance of those concepts to everyday life and society will be stressed throughout the course. The professor will foster a classroom environment of hospitality and grace, inquiry and objective evaluation, maturity and respect for diverse viewpoints, and openness to thoughtful dialogue.

Class Attendance: Regular and punctual attendance at all classes is considered essential to optimum academic achievement. If the student is absent from more than 10 percent of class meetings, the faculty member can file a written report which may result in de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation. See [Academic Policies](#) in the Undergraduate Academic Catalog.

Preparation for Class: Students should read through assigned textbook material to gain familiarity with it before coming to class, and work through the In-Chapter Exercises in the text while reading each chapter. There is a middle ground between students learning economic concepts entirely "on their own" and walking into class completely cold. Students must find this balance. Students should spend at least one hour with the text before class working through the pages on which we will be focusing that day (approximately 20 pages per class). Students should familiarize themselves with the terms, definitions, concepts, and applications from the reading. Class time will take the students' familiarity with terms and concepts from the reading assignment to the next level of understanding. Class time will be used to clarify and deepen students' understanding of concepts and applications through practice problems and activities.

Expectations: An average student will spend between six to nine hours per week outside class devoted to preparing for class and doing assignments. Regular class attendance should be made a high priority. However, if a student has an unavoidable illness or emergency situation he/she should notify the professor, review instructional materials on Canvas, and request permission from the professor to make up any missed assignments.

Course Philosophy and Expectations (continued)

Professional Behavior: Students are expected to adhere to the highest level of professional conduct at all times. This includes respect for one another and diverse viewpoints, being engaged and focused on the activities of the course while in class, honesty and integrity, timeliness, self-control and mature leadership. Laptop computers may be used during class only if they contribute to a student's engagement in course instruction, help students focus on class, and do not become a distraction. Students are responsible for all classroom announcements and activities. Maturity to openly consider others' viewpoints and objectively evaluate alternative perspectives will be necessary elements of each class. Every student's viewpoint will be treated with seriousness and respect by the professor and by all classmates.

Christian Responsibility: The Wesleyan Christian tradition, upon which PLNU is founded, encompasses a serious concern for social and economic justice, calls us to live lives that are transformed by the grace of God, and to show compassion for our neighbor, particularly those who live on the fringes of society. In this class, we will make connections to this call upon our faith and as we study the tools used by economists, we will continually be mindful of the economic issues for which our mathematical tools and economic theory raises questions of concern for Christians. Critically evaluating alternative perspectives through the use of objective thinking tools is extremely important for all individuals who care about the future of our world, but it is particularly relevant for Christians who have foundations in the Wesleyan tradition. The skill to think critically and understand economic models, which this class sharpens, is a fundamental tool that helps Christians evaluate alternative options and appropriately use our intellect in pursuit of God's call to care about important economic issues in society.

Course Assignments

Assignments reinforce conceptual understanding and critical thinking skill development. Regular attention to completing reading and other assignments will provide the needed reinforcement of content instruction and greatly increase the student's chance of success. In-class work and homework assignments reinforce conceptual understanding and the development of critical thinking. Research assignments help students develop tools of analysis and connect theory and applications. Assignments carry a point value and each will be graded based on substance, showing the steps in the problem-solving process, knowledge of concepts from readings, and clarity of logic and thought. Canvas will be used for the submission of assignments that are completed outside class, with the exception of homework problem sets.

In-class Work (5 points each): During each class students will be given a variety of activities, exercises and/or questions to discuss that will draw upon the readings, sharpen students' critical thinking, and provide stimulus for class discussions. The in-class work will engage students in active learning, deepen their conceptual understanding of mathematical models, and identify key economic insights and economic applications. Since in-class work points accumulate daily, regular class attendance reinforces optimal performance.

Homework Problem Sets (15 points each): Homework problem sets will be assigned to reinforce the conceptual understanding of mathematical models that are foundational to microeconomic theory and applications. Homework problems sets are due according to the course schedule, which includes chapter, problem numbers (from the textbook), and the due date. Problems will be graded primarily based on methodology (a clear, step-by-step approach to solving the problem) and secondarily for accuracy (correct answer). Neat and clearly written solutions with detailed steps showing work will receive a higher score. Students are encouraged to work together to understand homework problems, but the final work on each problem must be the individual work of each student. In addition, homework problems will provide the basis for exams, so it is important that each student achieves his/her own mastery of the problems. Since homework problems can be challenging for students, Dr. Havens will post special instructions or "homework hints" on Canvas for some of the problem sets. She is also willing to help students over email or in person, so problems should be attempted with enough lead time for students to ask questions of the professor before problems are due (suggest 24 hours), although Dr. Havens does not promise to respond to email on Sunday. On the day a homework problem set is due, Dr. Havens will show up to class 15 minutes early (10:45-11 am) and stay 15 minutes late (12:15-12:30 pm) in order to help students with questions on homework problems. Students are invited to schedule a time with Dr. Havens outside class for extra help as needed.

Course Assignments (continued)

Homework Responses (10 points each): Homework responses will be assigned occasionally to supplement readings and reinforce applications of microeconomic economic models. These assignments will be used to generate thought and economic insight, and to support class discussions. They will help make connections between and reinforce understanding of microeconomic theory, concepts and applications. Canvas will be used to post homework responses, and students should bring a copy of their response to class to aide in-class discussions.

Faith Reflections (25 points each): There are two faith reflections whose purpose is to encourage students to consider how faith and economic concepts intersect. In each reflection assignment students will be asked to respond to a few questions that connect economic concepts from the course with scriptures, and/or inspirational quotes. Comparing and contrasting economic concepts with those of our faith will stretch and deepen our understanding of both economics and our faith. A discussion board on Canvas will be used to post the initial response, and students will be asked to read their classmates' responses and respond to at least two other classmates within 48 hours of the initial post (not including Sunday). Students who do not feel comfortable sharing their faith in this manner should speak to the instructor and an alternative submission format will be determined.

Exams (125 points each): The purpose of exams is to evaluate students' comprehension of course content, their ability to use and apply economic thinking, and to demonstrate understanding of economic applications and issues. Exams will be open book, open notes, and given in class. Exams will be graded based on detailed methodology and substantive content.

Applied Project (200 points): The purpose of the applied project is to give students the opportunity to work with a small group of classmates in a culminating experience that enriches students' understanding of applied microeconomics. **Topics** must be approved, and group selection will be made by the professor with input from students, according to common interest. Students should select applications of microeconomic theory that are relevant social issues in the current economy. In addition, students are encouraged to choose topics of interest to Christians. Each group should select a unique topic so that the class as a whole can be exposed to a diverse array of issues. Once groups are selected and the topic is approved, the group will write a **project proposal**. Projects should use credible academic sources, appropriate research methods (examining data, articles, written literature, etc.), and should also include an "action component"—an activity to enhance the traditional research methods, such as a personal interview, organizational observation or review, service activity, etc. The proposal will outline the purpose of the project, research plan, research sources, and the specifics of the action component. Dr. Havens will work with groups to determine action components that would be appropriate. The professor will work with each group to ensure their proposal is of appropriate scope, and to provide advice and assistance as necessary. Periodic **consultations** with groups by the professor will include "proposal check" and "preliminary findings (pre-findings)". The groups will make an **oral presentation** to the class with the findings of their project work, which is scheduled during the final exam period. Groups will submit presentation materials (power point, sources, etc.) to Canvas. A written paper is not required. **Evaluation** of the final project will be made based on the following categories: relevance of topic, clarity of purpose, quality of organization, substance of work, sound application of critical microeconomic thinking and concepts from the course, quality of economic evidence, appropriate interpretation of findings, and how well the action component enhances the project. A separate **handout** with detailed instructions on the Applied Project will be available and posted on Canvas.

Make-up Assignment Process: Attendance is the most important commitment that will support student success in this course. Class attendance policies of the University will be followed (Catalog). Not only should students show up, but they should come alert, prepared, and ready to learn. In extremely rare circumstances when students are sick or have an unavoidable emergency situation, the **make-up policy** appears here.

Make-up Policy & Instructions

1. Email the professor before the class session that you must miss, get permission to make up the missed work, and prepare a doctor's note or some sort of documentation to substantiate your need to miss class.
2. If permission is granted, go to Canvas, find the Canvas page for the class session you missed, scroll to the bottom of the page to find the "In Class Activity" for that day, and do the assigned work.

Course Assignments (continued)

Make-up Policy & Instructions (continued)

1. Submit the make-up work via email or hard copy to the professor *within 2 weeks* of the missed class session. Submit the documentation (#2 above) along with the make-up work.
2. Students will *almost never* be allowed to make up more than the University policy allowable maximum number of class absences before de-enrollment (3 weeks of class, or 6 class sessions).

Students are strongly encouraged to make up work when an absence is absolutely unavoidable since consistent in-class work and course assignments comprise a significant portion of the class points, and daily work is foundational to understanding the basic economic concepts of the course. Students are also strongly encouraged to speak to the professor in a private meeting if they have accumulated excessive absences, or if it becomes difficult for them to keep up with or meet the standards of the class. The professor is willing to talk about strategies or options for students who are facing unusual problems or unavoidable circumstances, in order to help them succeed

Course Grades

Academic Conduct: Students are expected to display ethical and professional academic conduct at all times in all matters pertaining to this course. Authentic effort, honesty, civility and maturity are expected at all times. The professor cares about the academic performance and personal life of each student. Students are invited to meet with the professor if needs arise for which the professor should be informed or could provide assistance. The areas below provide further detail from the Catalog about university policies and support pertaining to academic conduct.

Academic Honesty: Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. A faculty member who believes a situation involving academic dishonesty has been detected may assign a failing grade for that assignment or examination, or, depending on the seriousness of the offense, for the course. Faculty should follow and students may appeal using the procedure in the university Catalog. See [Academic Policies](#) for definitions of kinds of academic dishonesty and for further policy information.

Copyright Policy: Point Loma Nazarene University, as a non-profit educational institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

Final Examination Policy: Successful completion of this class requires taking the final examination **on its scheduled day**. The final examination schedule is posted on the [Class Schedules](#) site. No requests for early examinations or alternative days will be approved.

Academic Accommodations: While all students are expected to meet the minimum standards for completion of this course as established by the instructor, students with disabilities may require academic adjustments, modifications or auxiliary aids/services. At Point Loma Nazarene University (PLNU), these students are requested to register with the Disability Resource Center (DRC), located in the Bond Academic Center (DRC@pointloma.edu or 619-849-2486). The DRC's policies and procedures for assisting such students in the development of an appropriate academic adjustment plan (AP) allows PLNU to comply with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Section 504 (a) prohibits discrimination against students with special needs and guarantees all qualified students equal access to and benefits of PLNU programs and activities. After the student files the required documentation, the DRC, in conjunction with the student, will develop an AP to meet that student's specific learning needs. The DRC will thereafter email the student's AP to all faculty who teach courses in which the student is enrolled each semester. The AP must be implemented in all such courses.

Course Grades (continued)

Academic Accommodations (continued)			
If students do not wish to avail themselves of some or all of the elements of their AP in a particular course, it is the responsibility of those students to notify their professor in that course. PLNU highly recommends that DRC students speak with their professors during the first two weeks of each semester about the applicability of their AP in that particular course and/or if they do not desire to take advantage of some or all of the elements of their AP in that course			
Points: Points for assignments in the course will be distributed approximately as follows, with possible variability if the pace of course topics needs to be adjusted for the benefit of all students.			
In-Class Work	(26 X 5 pts)	130	13%
Homework Problem Sets	(20 X 15 pts)	300	30%
Homework Responses	(7 X 10 pts)	70	7%
Faith Reflections	(2 X 25 pts)	50	5%
Exams	(2 X 125 pts)	250	25%
<u>Applied Project</u>		200	20%
<u>Total Points</u>		1000	100%
Course grades will be assigned according to the percent of total points earned, as follows. A student's attendance, attitude, participation and contribution will be considered in borderline grade situations.			
A	93-100%	Exceptional scholarship; mastery of concepts; complete work and attendance	
A-	90-92.9%		
B+	87-89.9%	Good scholarship; good grasp of concepts; solid work and attendance	
B	83-86.9%		
B-	80-82.9%		
C+	77-79.9%	Satisfactory scholarship; average understanding of concepts; some missing work; sporadic attendance	
C	73-76.9%		
C-	70-72.9%		
D+	67-69.9%	Marginal scholarship; minimal understanding of concepts; missing work; non-committed attendance	
D	63-66.9%		
D-	60-62.9%		
F	0-59.9%	Unsatisfactory scholarship; failure to meet minimal expectations of course	

Class Schedule – ECO 3010.1 – Spring 2020

The following is a tentative schedule of topics, readings, and assignments. This will be adjusted if necessary for the benefit of all involved. Reading from chapters in the textbook should be completed *before class*.

Week	Date	Class Topic	Reading: Frank(pages)	Assignments Due	Learning Outcomes (1)
Introduction to Microeconomics					
1.1	Th Jan 16	Introduction to Course Thinking Like an Economist	1(1-14)		1,10
2.1	Tu Jan 21	Thinking Like an Economist	1(15-21)		1,10
2.2	Th Jan 23	Supply & Demand	2(25-43)	HW 1(3,4,8,11)	1,2,8,10
Theory of Consumer Behavior					
3.1	Tu Jan 28	Consumer Choice	3(53-77)	HW 2(1,4,5,7,8)	1,3,4,10
3.2	Th Jan 30	Calculus Differentiation	Handout	HW 3(3,14,17,24)	1,4
4.1	Tu Feb 4	Utility Maximization	3A(83-93)	HW Handout(TBA)	1,3,4
4.2	Th Feb 6	Consumer Demand	4(95-111)	HW 3A(1,2,3,4)	S1,S3,S10
5.1	Tu Feb 11	Elasticity	4(111-128)	<i>Project Topic</i>	1,3,10
5.2	Th Feb 13	Rational Choice & Policy	5(139-155)	HW 4(7,8,13,14)	1,3,4,8,10
6.1	Tu Feb 18	Intertemporal Choice	5(155-163)		1,3,10
6.2	Th Feb 20	Behavioral Economics	7(213-231)	HW 5(4,7,12,18)	1,4,10
7.1	Tu Feb 25	Altruism	7(231-243)	<i>Faith Reflection #1</i>	1,4,6,10
7.2	Th Feb 27	Exam 1	1-5,7,3A	HW 7(1,2,5)	
Theory of the Firm & Market Structure					
8.1	Tu Mar 3	Production	8(247-267)		1,3,10
8.2	Th Mar 5	Isoquants	8A(271-278)	HW 8(1,2,7,9)	1,3,5
No class	Mar 9-13	Spring Break			
9.1	Tu Mar 17	Costs	9(281-307)	HW 8A(1,2,4,5)	1,3,10
9.2	Th Mar 19	Cost Minimization	9A(311-315)	HW 9(4,7,8,12)	1,3,5
10.1	Tu Mar 24	Perfect Competition	10(317-350)	HW 9A(1,3,4,5) <i>Project Proposal</i>	1,7,10
10.2	Th Mar 26	Monopoly: Profit Maximization	11(355-391)	HW 10(2,8,14,17)	5,7,8,9,10
11.1	Tu Mar 31	Game Theory & Strategy	12(397-420)	HW 11(1,2,3,7)	1,7,10
11.2	Th Apr 2	Oligopoly	13(427-437)	HW 12(1,3,5,7)	1,7,10
12.1	Tu Apr 7	Monopolistic Competition	13(437-454)		1,7,10
No class	Apr 9-13	Easter Recess			
Factor Markets, Externalities & the Role of Government					
13.1	Tu Apr 14	Labor	14(457-490)	HW 13(1,5,9,10)	1,2,3,4,5,6,8,9,10
13.2	Th Apr 16	Capital	15(503-532)	HW 14(6,7,8,13)	1,3,5,6,8
14.1	Tu Apr 21	Externalities	16(533-566)	HW 15(1,2,3,6)	1,8,6,9,10
14.2	Th Apr 23	General Equilibrium & Efficiency	17(567-587)	HW 16(1,2,5,9) <i>Project Findings</i>	2,3,8,9,10
15.1	Tu Apr 28	Government	18(589-618)	HW 17(2,6,7,9) <i>Faith Reflection #2</i>	1,2,5,6,7,8,10
15.2	Th Apr 30	Exam 2	8-16,18,8A,9A	HW 18(1,2,7,13)	1,6,8,9
16	Th May 7	Final Exam Period (10:30am-1:00 pm): Applied Project Presentations			
Note (1): Course Learning Outcomes (CLOs) are repeated here (p. 2). Students who complete this course will be able to:					
1. Understand and apply economic thinking to everyday life situations.					
2. Understand market exchange, including demand, supply and price as a device to ration scarce resources.					
3. Understand the behavior of consumers and firms from an economic perspective.					
4. Understand the benefits and limits of rational choice as a model to explain human behavior.					
5. Apply mathematical optimization techniques to economic decisions made by consumers and firms.					
6. Understand the role of altruism in economic behavior.					
7. Evaluate the impact of competitive or non-competitive market structures with respect to the efficient or inefficient allocation of society's resources.					
8. Analyze the impact of policy options on economic outcomes.					
9. Understand the microeconomic foundations of significant social issues.					
10. Consider how Christians think about economic issues.					