

# Economics 201: Principles of Microeconomics

## Syllabus Fall 2023

ECON 201-002, CRN 10897  
M/W 10:00-11:50 a.m. @ Cramer Hall 53  
TA: [Serra Kirsch](#)  
Office Hours: TBA

Professor John Luke Gallup  
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[pdx.edu/economics/john-luke-gallup](https://pdx.edu/economics/john-luke-gallup)  
Office Hours: M 3-4pm; W 3:30-4:30 p.m. at  
URBN 450G or [pdx.zoom.us/j/7232927375](https://pdx.zoom.us/j/7232927375)

This course studies the behavior of demand and supply in markets which affects almost everything we do. We will examine how individuals make choices about consumption and firms make choices about production. We will then study the consequence of these choices and government policy on market outcomes. Microeconomics provides the foundation for the study of other areas of economics.

I will also discuss other topics to help you understand the economy, such as how to handle your own money, how taxes and the government budget work, and why inequality has gotten so much worse in the U.S. in the last 40 years.

### Book and Problem Sets

I have found that frequent online problem sets help students learn the concepts. For this you will need a subscription to the Achieve problem set software. The Achieve subscription comes bundled with a course ebook so you don't need to buy the textbook separately. The bundled textbook is *Microeconomics, 6th Edition* by Paul Krugman and Robin Wells.

There are two ways to buy both Achieve and the ebook (ISBN: 9781319320232):

- 1) The easiest option is to buy Achieve online and use the bundled ebook of *Microeconomics* for \$109.99. To do this, log onto the EC 201-002 course page on Canvas and click on the Achieve link on the front page. Create a new Achieve account. If you are short of money at the start of the term, you can use Achieve without paying for a 14-day grace period from the start of the course.
- 2) Alternatively, you can buy an access card for the Achieve subscription with bundled e-book at the PSU Bookstore for \$117.35, which is the only place you can buy it if you want to be reimbursed by financial aid. Once you have the access card, log onto Canvas and start setting up your Achieve account.

If you would like a paper copy of the textbook in addition to the ebook, I suggest you look for a used copy of an earlier edition on websites like [alibris.com](https://www.alibris.com). Earlier editions (*5th* or *4th*) are as good as the current edition.

If you don't like the style of Krugman and Wells for whatever reason, I suggest that you get an inexpensive used copy of another introductory microeconomics text to read first, and only use Krugman and Wells (which comes bundled online with Achieve) when it is needed for understanding the problem sets. Good introductory texts include Colander (more discursive), Mankiw (good examples; more of a free-market orientation), Case and Fair (more theoretical and logical), Baumol and Blinder (similar), and dozens of others.

All other course materials (a few readings and the attendance quizzes) will be posted on the Canvas site.

Grades are determined by performance on:

Assignment	Percent
Achieve problem sets	25%
Midterm exam	35%
Final exam	40%
Total	100%

Do not plagiarize or engage in any other form of academic dishonesty. **I vigorously pursue suspected cheating** because it undermines honest work.

Students with accommodations approved through the Disability Resource Center need to tell me during the first week of term to discuss accommodations. Students who believe they are eligible for accommodations but who have not yet obtained approval should contact the DRC immediately. If you are using the campus Testing Center for special testing conditions, please schedule your midterm and final tests at the same time as the in-class test. You should make a reservation for testing as soon as possible because the Testing Center slots often fill up early (see test times below).

## Course Outline and Readings

- Week 1, Class 1 (September 27)
  - Introduction: First principles (K&, Intro and Chapter 1)
- Week 2, Class 2, 3 (October 2, 4)
  - Trade-offs (K&W Chapter 2)
  - Supply and Demand (K&W Chapter 3)
- Week 3, Class 4, 5 (October 9, 11)
  - Consumer and Producer Surplus (K&W Chapter 4)
  - Price Controls (K&W Chapter 5)
- Week 4, Class 6, 7 (October 16, 18)
  - How to handle your money (reading on Canvas)
- Week 5, Class 8, 9 (October 23, 25) [Midterm exam review on Oct. 25, 7-8pm]
  - Elasticities (K&W Chapter 6)

- Taxes (K&W Chapter 7)
  - Midterm, Monday, October 30<sup>th</sup> in class
- Week 6, Class 11 (November 1)
  - International Trade (K&W, Chapter 8)
- Week 7, Class 12, 13 (November 6, 8)
  - Rational Consumer (K&W, Chapter 10 up to “From Utility to the Demand Curve” on page 287, and Chapter 10 Appendix up to “Income and Substitution Effects” on page 311)
  - Behind the Supply Curve (K&W, Chapter 11)
- Week 8, Class 14, 15 (November 13, 15)
  - Perfectly Competition and Supply (K&W, Chapter 12)
- Week 9, Class 16, 17 (November 20, 22)
  - Monopoly (K&W, Chapter 13)
- Week 10, Class 18, 19 (November 27, 29) [Final exam review on Nov. 29, 7-8pm]
  - Externalities (K&W, Chapter 16)
  - Great Divergence (reading on Canvas)
- Final – Tuesday, December 5<sup>th</sup>, 8:00-9:50