Syllabus
Economics 5010/ Public Policy Administration 6080
Microeconomics for Policy Analysis
Fall 2013

Instructor: Professor Kosnik     Course Time: MW 5:30-6:45 p.m.
Email: kosnikl@umsl.edu     Course Place: 133 SSB Bldg.
Office: 409 Tower      Office Hours: MW 3:30-5:00 p.m.
Office Phone: (314) 516-5564 & by appointment

Synopsis:
Almost everything related to the economy is controversial. Should the minimum wage be abolished, or is it the only thing keeping millions of low-income workers out of poverty? Should government pay farmers to reduce production of oversupplied crops, or is this an unfair government handout? Would making marijuana and other illegal drugs legal actually reduce consumption? How do tax cuts affect sales patterns? Economics and economic issues such as these affect each of our daily lives, whether we like to admit it or not. Understanding them is useful not just for the economist, the public policy analyst, or the politician, but for the every day citizen as well. This course, specially designed for graduate students with little or no prior training in economics, introduces students to the tools and logic economists use in analyzing questions like those above, as well as many others. The focus will be on gaining a sound understanding and familiarity with the essential mathematical and graphical tools necessary to fully appreciate most microeconomic issues, but applied policy contexts will never be far behind. Hopefully, you will leave this course with a better understanding of how an economist approaches many contemporary policy debates. More importantly, this course will present you with a method for understanding the issues that will lead to clearer, more objective thinking.

Text & Homework:
Online Homework: Sapling Learning. (https://www.sapplinglearning.com/)

Grading:
3 midterm exams: 45%
homeworks (plus in-class participation): 10%
project: 10%
final exam: 35%

Note: NO makeup exams will be given. If you miss an in-class midterm exam, your final exam will simply count for more (an additional 15% per missed exam). This applies even to unforeseen events such as 3rd cousins dying, dogs being rushed to the vet, car accidents, and other unexpected emergencies. The final exam, scheduled for December 9 is a one-time event (except for extreme and unavoidable circumstances). If you know you cannot take the final exam at the scheduled time and date, you should not take this class. Similarly, there are no makeup homeworks or makeup projects. The (online) homework assignments will have a specific due date and they must be completed by that time, and projects are due on the Monday before Thanksgiving, November 18. All late projects lose 1 letter grade per day, including weekends and holidays. You can certainly turn in an assignment early, but you should not turn one in late.
Tentative Course Outline

This schedule will be followed as closely as possible, but, as may happen, we may at points in
the course find ourselves a little ahead, or a little behind of schedule. To keep abreast of what
will be required of you in the exams your best bet is to come to class. You are expected to read
all required material BEFORE coming to lecture – believe me, this is in your best interest as it
will aid in your understanding of the material, and also help you to participate in what I hope will
be an active and lively classroom discussion.

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Text</th>
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<tbody>
<tr>
<td>1</td>
<td>Introduction &amp; Supply&amp;Demand</td>
<td>Chapters 19, 1</td>
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<td>2</td>
<td>Gains from Trade</td>
<td>Chapters 1, 2</td>
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<td>3</td>
<td>Mon - Labor Day</td>
<td>Chapters 2, 3</td>
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<td>4</td>
<td>Consumer Choice</td>
<td>Chapter 3</td>
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Exam 1  Wednesday, September 18

| 6    | Changes in Consumer Choice         | Chapter 4             |
| 7    | The Behavior of Firms              | Chapters 4, 5         |
| 8    | Firms and Production               | Chapters 5, 6         |
| 9    | Production and Costs               | Chapter 6             |

Exam 2  Monday, October 21

| 11   | Competition                        | Chapter 7             |
| 12   | Consumer & Producer Surplus        | Chapter 8             |
| 13   | Monopoly                            | Chapter 10            |

Exam 3  Monday, November 18

Thanksgiving Holiday

| 15   | Market Power & Collusion           | Chapter 11            |

Final Exam:  Monday, December 9
5:30-7:30 p.m.

Note:  If campus should be unexpectedly closed on a scheduled exam day (i.e. due to weather),
the exam will take place during the following regularly scheduled class, or, the first day of class
campus is back open.
Course Project Assignment:
An Analysis of Supply & Demand

Periodically through the course you are expected to clip and analyze (in an economic fashion) contemporary articles that have been published in leading newspapers or magazines (I strongly suggest using things from The Economist, The New York Times, or The Wall Street Journal, but I will accept other appropriate sources). To earn full credit for this assignment you must turn in three separate analyses (i.e. not the same issue, just published in different newspapers). You are expected to analyze the topic described in the article using the economic tools and logic learned in class. For example, is the article describing an increase or decrease in demand for some good? Or, is the discussion about an increase or a decrease in supply? (Be VERY careful not to confuse “demand” with “quantity demanded” and “supply” with “quantity supplied.”) You might want to draw a supply and demand graph to illustrate your arguments. (But if you do, be sure to label your graphs and clearly indicate which curves are shifting.) You might also want to discuss whether the reported change is a short run, or a long run phenomenon, or if the firms constituting the market are price-takers, monopolists, or oligopolists. All of these are just suggestions for the types of points you may want to include in your analysis, however, the final project is up to you. Be creative, be thoughtful, be deep. You are also more than welcome to include normative policy conclusions, along with your positive economic arguments as part of the analysis. Remember that thinking outside the box is always guaranteed to earn you extra points. Each analysis should be no more than 1-2 pages.

Make sure you turn in a copy of the article being discussed along with your final analysis – failure to turn in the accompanying article will result in that analysis not being graded.

The author of your textbook, Steven E. Landsburg, has written many Slate articles in a similar (though less rigorous) vein to what is expected for this project – for helpful approaches, take a look at his work online (the websites are listed inside the front cover of your textbook). Note, however, that his analyses never include any math or graphs, while it is expected that at least a few of yours will.

If you have any questions about the appropriateness of an article, or you just want help in thinking through an analysis, feel free to come see me during my scheduled office hours.

Quick Tips:
• Do NOT use quotes – at all. There just isn’t room for them in a 1-2 page analysis.
• Do NOT use blog posts – only reputable newspapers and magazines.
• Do NOT define vocabulary terms in your essay – again, there just isn’t room in a 1-2 pg. analysis.
• Stay away from macroeconomic topics, i.e. GDP, inflation, unemployment, exchange rates, etc.
• Do not try to over deliver in your essay; you’ll more than likely just shoot yourself in the foot.
• Make sure your articles are current, i.e. published between August-November, 2013.
Instructions for Accessing the Homework Assignments:

1. Go to http://saplinglearning.com
2a. If you already have a Sapling Learning account, log in then skip to step 3.
2b. If you have Facebook account, you can use it to quickly create a SaplingLearning account. Click the blue button with the Facebook symbol on it (just to the left of the username field). The form will auto-fill with information from your Facebook account (you may need to log into Facebook in the popup window first). Choose a password and timezone, accept the site policy agreement, and click "Create my new account". You can then skip to step 3.
2c. Otherwise, click "Register here". Supply the requested information and click "Create my new account". Check your email (and spam filter) for a message from Sapling Learning and click on the link provided in that email.
3. Find your course in the list (you may need to expand the subject and term categories) and click the link.
4. Select a payment option and follow the remaining instructions.

Once you have registered and enrolled, you can log in at any time to complete or review your homework assignments. During sign up - and throughout the term - if you have any technical problems or grading issues, send an email to support@saplinglearning.com explaining the issue. The Sapling support team is almost always more able (and faster) to resolve issues than your instructor.

Expectations

Registering for this course constitutes acceptance of the terms and conditions as laid out in this syllabus between instructor and student. This syllabus is like a contract, and its terms can not be lightly broken by either you, the student, or myself, the instructor. Make sure you read this syllabus carefully and are aware of all the associated deadlines and requirements (for example, no make-up exams).

Also, it is recommended that you review the policies and procedures defined by the university regarding your responsibilities as a student:

http://www.umsl.edu/studentlife/dsa/student_planner/policies/conductcode.html

These policies outline the codes of conduct expected regarding cheating, plagiarism, attendance, and other matters of academic honesty. In all cases of academic dishonesty, I will issue a grade of zero for the entire assignment, quiz, exam, paper, etc. This is in accord with the campus policy on academic dishonesty, which can be found at the web address above.

For information regarding no penalty withdrawal and drop excused dates, please go to the university website: http://www.umsl.edu/~registration/courseinfo/add_drop.html