



Microeconomics with Algebra (ECON-UB.1)

Fall 2022
Mondays and Wednesdays
Tisch, UC-50, 11 am – 12:15 pm

Simon W. Bowmaker
K-MEC, 8-58
Office hours: Tues. 4:45 pm – 6:15 pm

Course description and learning goals

Economics studies how agents (producers, consumers, workers) make decisions under conditions of scarcity and uncertainty. This course provides a rigorous introduction to economics, with special emphasis on microeconomics. It will introduce you to economics as a discipline and as a way of thinking. We begin with a long introduction which covers some major topics that economics deals with, including growth, inequality, and the environment. We then look at the economic approach to the problem of individual agent decision-making (choice), where the agent may be a consumer, a worker, or a firm. Next, we analyze social interaction from an economics point of view. A particular instance of economic interaction is the relation between firms and consumers (pricing and demand). Another important instance of social interaction is given by markets. One of the key questions to be addressed is whether markets are efficient (in a way which we will define). When markets are not efficient (market failure) we consider the possibility and desirability of government intervention (public policy). The course concludes with the analysis of economic conditions for social justice, including issues such as inequality, discrimination, taxation and income distribution, social mobility, housing, and education.

Concepts and tools

Some of the key concepts introduced include economic incentives, marginal analysis, opportunity cost (which costs matter), market efficiency (what it means for a market to work), gains from trade, strategic behavior (how to predict and respond to your rivals' decisions), fairness, solidarity, and economic opportunity. The tools that you will be acquainted with in this class are fundamental for most upper-division courses of the economics major, as well as classes in finance, accounting, and marketing.

UB.1 versus UB.2

Microeconomics is offered in two different versions, UB.1 and UB.2. UB.1 (a.k.a. Micro A) places greater emphasis on economic intuition, whereas UB.2 (a.k.a. Micro C) uses basic calculus as part of its required toolkit. Assessment in Micro A is based on relatively more qualitative, essay-type answers. This may be easier for some students but more difficult for others. Note however that Micro A includes multiple algebra and graphical problems, so it

requires pre-calc math. Micro C, by contrast, requires a calculus background. A number of economics and other courses require that you have learned microeconomics and calculus. You can fulfill these requirements by taking Micro A and Calculus (as separate courses) or by taking Micro A and having taken AP Calculus, or by taking Micro C as a single course. Therefore, if you feel comfortable with calculus, then taking Micro C might save you one step toward fulfilling two different requirements for taking advanced courses. Finally, both Micro A and Micro C essentially cover the same topics, so there is no significant difference in terms of the continuation of your undergraduate program.

Required course materials

The course textbook is [Introduction to Microeconomics](#) by Luís Cabral, available free of charge before at the above link. Considering the abundance of embedded hyperlinks, the book is best read in electronic form. That said, you are free to print the book on paper if you so wish.

Recitation sessions

In addition to lectures, each student is assigned to a particular recitation section, each led by a different Teaching Fellow. There will be one weekly meeting of this smaller group. During a recitation, you will go over answers to problem sets, participate in an end-of-semester debate, and more.

Assignments and grading

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have adopted a grading guideline for core courses with enrollments of more than 25 students in which approximately 35% of students will receive an “A” or “A-” grade. In core classes of less than 25 students, the instructor is at liberty to give whatever grades they think the students deserve, while maintaining rigorous academic standards.

In the present case, the course grade will be based on a number of items.

- Problem sets (PS) (20% of course grade). These homework assignments will provide you the opportunity to practice tools developed in class. There will be ten PS, each worth 2 percentage points of the final grade. TFs will go over the solutions during recitation sessions.
- Quizzes (10% of course grade). There will be two in-class quizzes, each worth 5 percentage points. Please note that there will be no make-ups for missed quizzes.
- Midterm exam (25% of course grade). Please note that there will be no make-up midterm.
- Final (35% of course grade).
- Debate (10% of course grade). This is a group assignment. Each of the recitation sections will choose one of the motions listed (in due course) on Brightspace and choose one side (in favor or against). The formal debates will take place during the final recitations. More details to follow later in the course.

If you miss the midterm or a quiz for a justified reason and provide sufficient evidence, your final score will be weighted up in the measure of the missed points. If you miss the final exam for a justified reason and provide sufficient evidence, you will be given an incomplete in the course and be asked to take the final exam when the course is offered again (typically the next semester).

Academic integrity

Our undergraduate [Academics Pillar](#) states that we take pride in our well-rounded education and approach our academics with honesty and integrity. Indeed, integrity is critical to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to:

- Exercise integrity in all aspects of one's academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage.
- Clearly acknowledge the work and efforts of others when submitting written work as one's own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced.
- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses. To help ensure the integrity of our learning community, prose assignments you submit to NYU Classes will be submitted to Turnitin. Turnitin will compare your submission to a database of prior submissions to Turnitin, current and archived Web pages, periodicals, journals, and publications. Additionally, your document will become part of the Turnitin database.

The Stern Code of Conduct and Judiciary Process applies to all students enrolled in Stern courses and can be found here: <https://www.stern.nyu.edu/uc/codeofconduct>.

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General Conduct and Behavior

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (<http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm>) and the NYU

Student Conduct Policy (<https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/university-student-conduct-policy.html>).

Electronic Devices in the Classroom

Please switch off cell phones before entering the classroom. No laptops are permitted. You can use an iPad to take notes, but please make sure it lies flat.

Student Accessibility

If you will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Moses Center for Student Accessibility (212-998-4980, mosescsa@nyu.edu) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the Moses Center for Student Accessibility, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation. For more information, visit the CSA website: <https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

Student Wellness

Our aim is for students to be as successful academically as they can, and to help them overcome any impediments to that outcome. Bookmark the NYU Stern Well-being Resource Hub (<https://www.stern.nyu.edu/wellbeing>) for existing services at NYU and Stern covering a wide variety of topics including financial well-being, relationship well-being, mental well-being, and more. Any student who may be struggling and believes this may affect their performance in this course is urged to contact the Moses Center for Student Accessibility (see also the Student Accessibility section of this syllabus) at 212 998 4980 to discuss academic accommodations. If mental health assistance is needed, call the NYU's 24/7 Wellness Exchange hotline 212 443-9999. Furthermore, please approach me if you feel comfortable doing so. This will enable me to provide relevant resources or referrals. There are also drop in hours and appointments. Find out more at <http://www.nyu.edu/students/health-and-wellness/counseling-services.html>

Name pronunciation and pronouns

NYU Stern students now have the ability to include their pronouns and name pronunciation in Albert. I encourage you to share your name pronunciation and preferred pronouns this way. Please utilize this link for additional information: [Pronouns & Name Pronunciation](#)

Religious Observances and Other Unique Situations

NYU Stern is committed to ensuring an equitable educational experience for all students regardless of identity or religious/cultural background. The observance of religious and cultural holidays/traditions and the recognition of unique circumstances - such as serving as a caregiver - are important aspects of this commitment. Please review all class dates at the start of the semester and review all course requirements to identify any foreseeable conflicts with exams, course assignments, projects, or other items required for participation and

attendance. Please contact me within the first two weeks of the class semester to discuss any potential conflicts.

Diversity, Inclusion, and Equity

I am deeply committed to maintaining a classroom culture that respects and embraces diversity, inclusion, and equity. For more information about NYU Stern's continued efforts in this area, please visit: <https://www.stern.nyu.edu/portal-partners/diversity-inclusion>.

Office Hours

There are times when a little help can get you past an obstacle. If you're stuck, send me an email at sbowmake@stern.nyu.edu. My office hours are Tuesdays from 4:45 pm to 6:15 pm in KMEC, 8-58. You may also reach out to the TF leading your recitation section.

Course schedule and readings

1. Wednesday, September 7 – Introduction

Reading: Cabral, 1.1

2. Monday, September 12 – Capitalism

Reading: Cabral, 1.2-1.4

3. Wednesday, September 14 – Economics as a Discipline

Reading: Cabral, 2.1-2.2

4. Monday, September 19 – Central Themes in Economics

Reading: Cabral, 2.3-2.4

5. Wednesday, September 21 – Choice

Reading: Cabral, 3.1-3.3

6. Monday, September 26 – Consumption

Reading: Cabral, 4.1

7. Wednesday, September 28 – Labor

Reading: Cabral, 4.2

8. Monday, October 3 – Household + Quiz 1

Reading: Cabral, 4.3

9. Wednesday, October 5 – Production

Reading: Cabral, 5.1-5.2

10. Tuesday, October 11 – Pricing, I

Reading: Cabral, 5.3

11. Wednesday, October 12 – Pricing, II

Reading: Cabral, 5.3

12. Monday, October 17 – Supply

Reading: Cabral, 6.1

13. Wednesday, October 19 – Demand

Reading: Cabral, 6.2

14. Monday, October 24 – Equilibrium

Reading: Cabral, 7.1-7.2

15. Wednesday, October 26 – Controls

Reading: Cabral, 7.3

16. Monday, October 31 – Midterm Review

17. Wednesday, November 2 – Midterm Exam

18. Monday, November 7 – Market Power, I

Reading: Cabral, 8.1

19. Wednesday, November 9 – Market Power, II

Reading: Cabral, 8.2-8.3

20. Monday, November 14 – Property Rights

Reading: Cabral, 9.1-9.2

21. Wednesday, November 16 – Climate Change + Quiz 2

Reading: Cabral, 9.3

22. Monday, November 21 – Information, I

Reading: Cabral, 10.1-10.2

23. Monday, November 28 – Information, II

Reading: Cabral, 10.1-10.2

24. Wednesday, November 30 – Equity, I

Reading: Cabral, 11.1

25. Monday, December 5 – Equity, II

Reading: Cabral, 11.2

26. Wednesday, December 7 – Solidarity

Reading: Cabral, 12.1-12.3

27. Monday, December 12 – Opportunity

Reading: Cabral, 13.1-13.3

28. Wednesday, December 14 – Final Exam Review

Final Exam: Monday, December 19, 12 pm to 1:50 pm