



ECON 351 -Microeconomics for Business Summer 2020

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Class Time: Tue & Thu 3:00 pm - 5:30 pm

Office Hours: Thu 2:00 pm - 3:00 pm, and by appointment

Course Description

The main goal of this course is to show how microeconomic models can be used to guide business decisions. We will study the behavior of consumers and firms, and their implications to demand, supply and market equilibrium. We will analyze competitive markets, market failures, and the role of Government. The course also introduces basic principles of game theory and competitive strategy.

More generally, this course provides a rigorous foundation for the study of decision-making problems. The student who successfully completes this course should be able to apply microeconomic analysis to issues of real world interest both within and beyond the area of business.

Learning Objectives

Upon completion of this course you will be able to:

1. Apply graphical and algebraic analytical techniques to the analysis of resource allocation through an understanding of economic theories and models.
2. Apply the basic demand-supply market model to goods markets and factor markets by identifying and analyzing the values of equilibrium prices and quantities as determined by market forces.
3. Differentiate and apply different aspects of neoclassical economic theory by examining the dynamics of consumer, firm, and market forces and calculating their impacts.
4. Apply the model of behavior in risky circumstances by calculating expected utility, expected income, and certainty equivalents.
5. Explain the role of game theory in economic models through game-theoretic representations.
6. Explore market power by examining the impact of monopoly and oligopoly on resource allocation.
7. Analyze the impact of various forms of government intervention in markets by calculating the changes in consumer and producer surplus, and deadweight loss.
8. Analyze the impact of asymmetric information on market efficiency through the examples of adverse selection, moral hazard, and financial markets.

Alignment with Marshall School of Business Program Learning Goals

In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Marshall Program Learning Goal	Course Objectives
1	Our graduates will demonstrate critical thinking skills <i>so as to become future-oriented decision makers, innovators and decision makers in diverse and rapidly changing business environments</i>	1-4, 7-8
2	Our graduates will develop people and leadership skills to promote their effectiveness as <i>business managers and leaders in the 21st century's evolving work and organizational structures</i>	8
3	Our graduates will be effective communicators <i>to facilitate information flow in organizational, social, and intercultural contexts.</i>	5
4	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities <i>and aspire to add value to society</i>	8
5	Our graduates will develop a global business perspective. They will understand how local, regional, and international markets, and economic, social and cultural issues impact business decisions <i>so as to anticipate new opportunities in any marketplace</i>	1
6	Our graduates will understand types of markets and key business areas and their interaction <i>to effectively manage different types of enterprises</i>	1-8

Required Materials

The required textbook for this course is Microeconomics for Business, a USC Custom Edition (ISBN: 9781323764992). Most chapters of this book are taken from the textbook Microeconomics (9th edition) by Pindyck and Rubinfeld, a few chapters are from Microeconomics (6th Edition) by Hubbard and O'Brien.

The custom text is bundled with a MyEconLab Student Access Code Card. Detailed MyEconLab registration and course enrollment information is provided at the end of the syllabus.

Prerequisites and/or Recommended Preparation:

I will assume that you are familiar with basic algebra and calculus. You should expect exam questions requiring calculations. MATH 118 is a prerequisite for ECON 351.

Course Notes:

Power point slides of the lectures and other course material (notes, articles, etc.) will be

available on Blackboard. I will also use the site for announcements.

Grading Policies:

Midterm 1: 35%
Midterm 2: 35%
Midterm 3: 30%

Midterms will be conducted on Blackboard using Respondus exam security software and will be in a multiple-choice format. They will be available online for 12 hours period from 9:00am to 9:00pm Pacific Time (time in Los Angeles). Once the student starts the evaluation, will have 65 minutes to finish it. It is the student's responsibility to find a quiet space to take the exam and ensure a sufficient Internet connection.

Assignments: There will be non-graded assignment for every chapter. Their purpose is to help student to practice for the midterms and exam.

Midterm: The first midterm exam will be on June 16, and the second will be on July 9, and the third on August 4. All of them during scheduled class time. Each midterm will test material covered up to the midterm and not covered by the previous midterm. The midterms will be open book, although students will not be allowed to communicate with each other. No midterm makeup will be given. In case of proven medical emergencies, the weight of the midterm will be added to the midterm 3.

General rules: Students are not allowed to communicate with each other or anyone else regarding exam material during the 12-hour exam period. They are also not allowed to record exam questions in any way including writing or taking photos. Such communication violates the Honor Code that students will have to acknowledge to take the exam.

Class Etiquette:

This is a large and online class and I need your cooperation in ensuring orderly conduct of the lectures.

1. Please turn your microphone off during the class. Only turn it on to participate in the class.
2. If you want to participate in the class, you can either raise your hand electronically (pressing the "raise hand" bottom) or physically (just raising your hand in front of your camera). You can also send a message saying "question".
3. If you prefer to set up a virtual background, pick a topic that would not offend the sensitivity of any other person in the class.
4. Always use your real name.
5. Please arrive on time. If you are going to be late on a particular day, for a valid reason, please let me know in advance.
6. If you have to leave early on a particular day, for a valid reason, please let me know in advance.

TENTATIVE COURSE CALENDAR

Date	Topic	Readings
May 21	Introduction	1 + Appendix
May 26	Trade-offs, Comparative Advantage, and the Market System	2
May 28	Comparative Advantage and the Gains from International Trade	3.1, 3.2, 3.3, 3.5
June 2	Supply and Demand	4.1- 4.5, 4.7
June 4	Supply and Demand	4.1- 4.5, 4.7
June 9	Consumer Behavior	5.1- 5.3, 5.5
June 11	Demand, Behavioral Economics	6.3, 7.6
June 16	Midterm 1	
June 18	Uncertainty	7.1-7.3
June 23	Uncertainty	7.1-7.3
June 25	Asymmetric Information	17.1- 17.4
June 30	Production	8
July 2	Production	8
July 7	Cost	9.1- 9.5
July 9	Midterm 2	
July 14	Profit Max. & Competitive Supply	10, 3.4
July 16	Perfect Competition	11
July 21	Monopoly	12.1- 12.4, 12.7
July 23	Pricing	13.1- 13.4
July 28	Monopolistic Comp. & Oligopoly	14
July 30	Games and Competitive Strategy	15.1-15.5, 15.7
August 4	Midterm 3	

ADDITIONAL INFORMATION

GRADE APPEALS

Regrades must be requested within one week of the day the exam was returned to the class. The student must submit a written and precise explanation of why he/she thinks the grade should be modified. The entire exam will be regraded and the final mark may go up or down.

Returned paperwork, unclaimed by a student, will be discarded after 4 weeks and hence, will not be available should a grade appeal be pursued by a student following receipt of his/her course grade.

TECHNOLOGY POLICY

Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted but please ask for my permission. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

ADD/DROP PROCESS

This class will remain open enrollment (R-clearance) for the first three weeks of the semester. If there is an open seat, students will be freely able to add a class using Web Registration throughout the first three weeks of the term. If the class is full, students will need to continue checking Web Registration to see if a seat becomes available. There are no wait lists and the professor cannot add students. See USC guidelines here:

http://www.usc.edu/dept/publications/cat2012/private/pdf/2012_2013/academic_policies_12.pdf

1) Waitlist. There are no centralized wait lists for Marshall undergraduate courses. Although there are no wait lists, the Undergraduate Advising Office provides a system by which students can indicate their interest in enrolling in classes that are currently full in order to track demand and manage classroom space effectively.

2) Dropping Students. The professor may drop any student who, without prior consent, does not attend the first two class sessions. The instructor is not required to notify the student that s/he is being dropped.

STATEMENT ON ACADEMIC INTEGRITY

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review pro-

cess can be found at: <http://www.usc.edu/student-affairs/SJACS/> . Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

ACADEMIC CONDUCT

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, “Behavior Violating University Standards” <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

SUPPORT SYSTEMS

Counseling and Mental Health - (213) 740-9355– 24/7 on call

<https://studenthealth.usc.edu/counseling/>

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call

<https://studenthealth.usc.edu/sexual-assault/>

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX – (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

https://usc-advocate.symplicity.com/care_report/

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity |Title IX for appropriate investigation, supportive measures, and response.

The Office of Disability Services and Programs - (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Campus Support and Intervention - (213) 821-4710

<https://uscscsa.usc.edu/>

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.

STATEMENT FOR STUDENTS WITH DISABILITIES

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. The phone number for DSP is (213) 740-0776. For more information visit www.usc.edu/disability or email to ability@usc.edu.

Students requesting test-related accommodations will need to share and discuss their DSP recommended accommodation letter/s with their faculty *at least three weeks before* the date the accommodations will be needed. Additional time may be needed for final exams. Please note that a reasonable period of time is still required for DSP to review documentation and to make a determination whether a requested accommodation will be appropriate.

EMERGENCY PREPAREDNESS/COURSE CONTINUITY

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies.

Please activate your course in Blackboard with access to the course syllabus. Whether or not you use Blackboard regularly, these preparations will be crucial in an emergency. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.