

University of Massachusetts Dartmouth
PST 540-7101
Microeconomics for Public Policy
Master of Public Policy

Instructor:

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I am available intermittently from 9 a.m. - 6 p.m. E.S.T Sunday to Friday. If these times are not convenient for you, please let me know, I will be happy to accommodate your schedule where possible. Please use email for personal questions only. Otherwise, any questions related to the course should be addressed in the question and answer discussion board or WIDGETS (What I Didn't Get); your classmates may benefit from your questions as well as provide answers.

Course Overview

All decisions in public policy require choices to be made about how to allocate finite quantities of goods and services over a large number of beneficiaries. Since economics is the study of how the market allocates those scarce resources, a good policy analyst should understand the basic economic theories that govern individual behavior. This course is designed to introduce students to basic analytical tools that are simple in concept but applicable when explaining the impact of public policy on the economy.

Course Objectives

The objective of the course is to provide a thorough introduction to the basic understanding of microeconomics by linking theories to the real world. Students should understand: why we study economics, how individuals make personal and business decisions, how consumers and producers behave in the market economy, how to maximize utility subject to resource constraints, and what role government can play in resource allocation. The course is designed to provide a foundation and stimulate further interest in microeconomics and its application to real world circumstances and events.

Learning Outcomes

1. Discuss, compute, and illustrate graphically the effects of changes in the determinants of demand and supply on the market equilibrium price and quantity.
2. Evaluate the effects of various forms of government intervention, including taxes, subsidies, price ceilings, and price floors, on a market.
3. Calculate price elasticity of demand, price elasticity of supply, cross price elasticity, and income elasticity.
4. Interpret elasticity values and evaluate consumers' decisions based on their elasticities.
5. Explain, compute, and illustrate graphically consumer and producer surplus and deadweight loss.

6. Explain why consumers make choice by maximizing utility and how consumers optimal choice impact public policy.
7. Distinguish explicit and implicit costs and solve for a firm's accounting profit and economic profit.
8. Explain, compute, and illustrate graphically the relationships between a firm's output and its primary inputs, labor and capital.
9. Explain, calculate, and illustrate graphically a firm's total, average, and marginal costs of production.
10. List and classify the market structure in which firms operate and the implications for decision making.

Course Organization

The course is organized in modules, with each module containing all required information including readings. My advised is that you go through each module in the order in which the materials are posted. Each module builds on the other; therefore, be vigilant in keeping up with the movement of the class. Please feel free to share any concerns or ask any questions in a timely matter so you do not fall behind. Use the question and answer discussion board (WIDGET) at the end of each module to seek clarification for any issue you have with the module.

Required Text and Course Documents

There are no required textbook for this course. Assigned readings and articles will be made available on the course site. If you want to acquire a text, most of the notes come from *Microeconomics* by Paul Krugman and Robin Wells.

Grading

Grades will be assessed based on the following criteria and corresponding weight:

Discussions	10%
Assignments	30%
Policy Analysis	20%
Exams	40%

There will be four multiple choice exams, each worth 10% of your final grade. These exams are time sensitive so do not start unless you have the time to finish the exam in one sitting.

Your final letter grade will be assigned relative to the overall performance of the class. As a general guide grades will be distributed as follows:

85 - 100	As
70 - 84	Bs
55 - 69	Cs
> 50	F

If at any time you are concern about your grade please let me know. I understand that this may be a challenging class given its emphasis on the theory of microeconomics. **Do not drop** the class without communicating with me.

Student Expectation

The material in this class is cumulative so please stay on top of the class. If you are having difficulties please let me know. In most case, an assignment will be associated with each module.

Assignments

All assignments must be submitted through the assignment module. Kindly upload in pdf, doc or rtf format. There is **no** guarantee that I will be able to access your assignments if **not** submitted in one of the three required formats. If I cannot access your assignment because of formatting problems you will incur the penalty for late assignments. You may **neatly** hand write your assignments and submit as a scanned document if that is easier for you.

Late Assignments

Late assignments receive a 10% deduction for each day they are late. Assignments are late if not posted by 11:59 p.m. E.S.T. on the day they are due. Assignments more than three days late will not be accepted. Technological issues are not considered valid grounds for late submission. In the event of a university server outage, students should submit assignments directly to the instructor and when systems are restored, submit those assignments according to syllabus instructions. Unless an Incomplete grade has been granted, assignments submitted after the last day of class will not be accepted.

Caveat

Some of the materials in this class may be challenging particularly in an online environment. Don't panic, don't get despondent, I am here to facilitate your learning and will do my best to get you through this class. If a conversation is needed to walk you through an equation, etc, I will facilitate same.

Tentative Course Outline

Week 1: Module 1

Topic: Introduction

Week 2: Module 2

Topic: Demand and Supply

Assignment #1

Week 3: Module 3

Topic: Market Interventions

Assignment #2

Week 4: Discussion: Bankrupt Landlords, from Sea to Shining Sea

Exam #1: Modules 1-3

Week 5: Module 4

Topic: Elasticity

Assignment # 3

Week 6: Module 5

Topic: Consumer Surplus and Producer Surplus

Assignment # 4

Week 7: Discussion: Sex, Booze, and Drugs

Exam #2: Modules 4-5

Week 8: Module 6

Topic: Consumer Preferences and Consumer Choice

Week 9: Module 7

Topic: Consumer Choice and Demand

Assignment #5

Week 10: ***Exam#3 Modules 6-7***

Week 11: Module 8

Topic: Production and Cost

Week 12: Module 9

Topic: Perfect Competition

Assignment#6

Week 13: Module 10

Topic: Monopoly

Assignment #7

Week 14: ***Exam #4: Modules 8-10***