Instructor: Rubaa Saleh
E-mail address: Rubaa.Saleh@rutgers.edu
Office Hours: Wednesdays, 11:30 AM - 12:30 PM or by appt.

Course Description and Goals
Economics is the study of scarcity (scarce resources) in the face of needs and wants. Macroeconomics is the branch of economics concerned with the overall ups and downs in the economy: the bigger picture. Microeconomics studies the decisions of individuals, businesses, and industries. We will first study the basic concepts that are present in both the study of macroeconomics and microeconomics principles, and then focus only on microeconomics.

By the end of this course, you will: have an understanding of basic economic concepts of supply and demand; how price controls and quotas affect the economy; understand the effect of taxes and tariffs on the market; learn how innovation, productivity, and costs affect businesses; gain insight into behavioral economics; learn about the different types of market structures, and much more. Ultimately, you will make learn to make better decisions.

Recommended Texts (Choose one. To help you decide, preview texts online before buying/renting.)
  - You may also use the 3rd edition of the aforementioned text.

  - You may also use the 5th edition of the aforementioned text.

Chiang, Eric P. Microeconomics: Principles for a Changing World. 4th edition (or previous editions)

Supplementary Material
1. The Wall Street Journal (free for Rutgers students)
2. The Economist (newspaper, podcast)
3. Money magazine
4. Marketplace (radio, podcast)
5. NPR’s Planet Money podcast
6. Freakonomics Radio

Grade Distribution
Exams 70%  Assignments 20%  Quizzes (3) 10%
A = 90  B+ = 85  B = 80  C+ = 75  C = 70  D = 60  F = (you know)

For more information on final grades, visit: <http://registrar.newark.rutgers.edu/final-grades>

Updated: 16 January 2020
Exams:
- **Midterm 2 and the final are not cumulative.** If you miss either of the first two exams for a valid reason, you will have the option to take a cumulative (or semi-cumulative final.)
  - Valid reasons include religious holidays, illness, and death in the family. Documentation must be provided.

Assignments:
- Online assignments will be posted on Blackboard on Fridays and will be due the following Friday.
  - Assignments will be due earlier if there is an exam the following class.
- Late assignments are not accepted without a valid reason. If you are not able to make it to class and miss an assignment due to a valid excuse (save for an emergency), you must contact me at least a day before class.
- Online and in-class assignments are grouped under the Assignments category.
- Your two lowest assignment grades will be dropped.

Other Course Expectations:
- When e-mailing me, please use your Rutgers e-mail address so I can verify your identity especially when asking about grades. (Read up on The Family Educational Rights and Privacy Act [FERPA].)
- Please set your phone to silent or vibrate, or turn it off. Pigouvian taxes will be considered...

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**Course Outline**

The outline below is tentative. If there are any changes, you will be notified in class and via Blackboard.

**Jan. 23, 27**
Basic Economic Principles
The Theory of Value
Krugman, Wells: Chapter 1 First Principles
Cowan, Tabarrok: Chapter 1 The Big Ideas

**Jan. 30, Feb 3**
Supply and Demand
Krugman, Wells: Chapter 3 Supply and Demand, Chapter 4 Consumer and Producer Surplus
Cowan, Tabarrok: Chapter 3 Supply and Demand, Chapter 4 Equilibrium

*Jan. 28*  Last day to drop without a “W” on your transcript.

**Feb. 6, 10**
Market Inefficiencies
Krugman, Wells: Chapter 5 Price Controls and Quotas
Cowan, Tabarrok: Chapter 8 Price Ceilings and Floors

This lecture will cover parts of Externalities (Krugman, Wells: Ch. 16), Public Goods (Krugman, Wells: Ch. 17), and Asymmetric Information (Cowan, Tabarrok: Ch. 24)
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Feb. 13</td>
<td><strong>Quiz 1</strong> (Supply, Demand, &amp; Equilibrium, and Price Controls/Quotas) (first 30 minutes of class)</td>
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<td>Feb. 13, 17</td>
<td>Elasticity</td>
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<td>Krugman, Wells: <strong>Chapter 6</strong> Elasticity</td>
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<td>Cowan, Tabarrok: <strong>Chapter 5</strong> Elasticity and Its Applications</td>
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<td>Feb. 20</td>
<td>Review for Midterm 1</td>
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<td>Feb. 24</td>
<td><strong>Midterm 1</strong></td>
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<td>Feb. 27, Mar. 2</td>
<td>Taxes</td>
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<td>Krugman, Wells: <strong>Chapter 7</strong> Taxes</td>
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<td>Cowan, Tabarrok: <strong>Chapter 6</strong> Taxes and Subsidies</td>
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<td>Mar. 5, 9</td>
<td>Supply and Demand on the International Scale (International Trade)</td>
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<td>Krugman, Wells: <strong>Chapter 8</strong> International Trade</td>
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<td>Cowan, Tabarrok: <strong>Chapter 9</strong> International Trade</td>
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<tr>
<td>Mar. 12</td>
<td><strong>Quiz 2</strong> (Taxes &amp; International Trade) (first 30 minutes of class)</td>
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<td>Decision-Making by Individuals</td>
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<td>Krugman, Wells: <strong>Chapter 9</strong> Decision Making by Individuals and Firms (Select parts of chapter.)</td>
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<td>Mar 16, 19</td>
<td>Spring Break</td>
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<td>Mar. 20</td>
<td>The last day to withdraw from the course with a “W”.</td>
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<td>To see how withdrawing from any course affects your financial aid, visit:</td>
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<td><a href="https://financialaid.rutgers.edu/eligibility/enrollment-requirements/">https://financialaid.rutgers.edu/eligibility/enrollment-requirements/</a></td>
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<tr>
<td>Mar. 23</td>
<td>Decision-Making by Individuals (continued)</td>
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<td>Mar. 26, 30</td>
<td>Production and Costs</td>
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<td>Krugman, Wells: <strong>Chapter 11</strong> Behind the Supply Curve: Inputs and Costs</td>
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<td>Cowan, Tabarrok: <strong>Chapter 11</strong> Costs and Profit Maximization Under Competition</td>
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<td>Apr. 2, 6</td>
<td>Perfect Competition</td>
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<td>Krugman, Wells: <strong>Chapter 12</strong> Perfect Competition and the Supply Curve</td>
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<td></td>
<td>Cowan, Tabarrok: <strong>Chapter 11</strong> Costs and Profit Maximization Under Competition</td>
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<tr>
<td>Apr. 9</td>
<td>Review for Midterm 2</td>
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Updated: 16 January 2020
Apr. 16, 20  
**Monopoly**
Krugman, Wells: *Chapter 13 Monopoly*
Cowan, Tabarrok: *Chapter 13 Monopoly*

Apr. 20, 23  
**Oligopoly and Game Theory**
Krugman, Wells: *Chapter 14 Oligopoly*
Cowan, Tabarrok: *Chapter 15 Oligopoly and Game Theory*

**Monopolistic Competition**
Krugman, Wells: *Chapter 15 Monopolistic Competition and Product Differentiation*
Cowan, Tabarrok: *Chapter 17 Monopolistic Competition and Advertising*

Apr. 27  
**Quiz 3** *(Monopoly & Oligopoly/Game Theory) (first 30 minutes of class)*

The Labor Market *(start)*
Cowan, Tabarrok: *Chapter 18 Labor Markets*

Apr. 30  
The Labor Market *(continue)*

May 4  
**Review for final**

Last Day of Class

**Final Exam**  
Monday, May 11, 2020
3:00 PM
Hill 108

Spring Final Exam Schedule:

[https://tls.newark.rutgers.edu/academic-scheduling/academic-scheduling-resources/final-exam-schedule-spring-2020-tentative](https://tls.newark.rutgers.edu/academic-scheduling/academic-scheduling-resources/final-exam-schedule-spring-2020-tentative)

**Final exam conflicts?** Contact the dean of students at least two weeks before the first final exam day.