

Economics 251 – Microeconomics**Purdue University – Fall 2024****Instructor**

Mr. Zach Knepper

Krannert 316

zknepper@purdue.edu

Instructor Office Hours

WF 1:00pm – 2:30pm or by appointment

Course Location and Meeting Times

Tuesdays and Thursdays, 3:00p.m. – 4:15 p.m., Neil Armstrong Hall of Engineering, Room 1109

University Core Curriculum Course Objectives

This course is part of the University Core Curriculum, in particular the Human Cultures: Behavioral & Social Sciences Foundational Learning Outcome (BSS-FLO). As such, this course emphasizes the following key skills:

1. Demonstrate knowledge of major concepts, theoretical perspectives, empirical patterns, and/or historical contexts within a given social or behavioral domain.
2. Identify the strengths and weaknesses of contending explanations or interpretations for social, behavioral, or historical phenomena.
3. Demonstrate literacy in social, behavioral, or historical research methods and analyses.
4. Recognize relevant evidence supporting conclusions about the behavior of individuals, groups, institutions, or organizations.
6. Identify examples of how social, behavioral, or historical knowledge informs and can shape personal, civic, ethical, or global decisions and responsibilities.

For more information about the University Core Curriculum, please visit the University Core Curriculum website <https://www.purdue.edu/provost/students/s-initiatives/curriculum/outcomes.html>.

Econ 251 Microeconomics Course Objectives

This course is the first formal exposure that students have to the world of microeconomics: the branch of economics that studies the behavior of individuals (people, households, and firms). Topics include scarcity and the economic way of thinking, markets and price determination, elasticity, measuring the value of markets and market interventions, industry structure and outcomes, profit maximization by firms, an introduction to game theory and strategic behavior, and an introduction to international trade.

Our primary learning objectives include:

1. Identify the core principles and tools used in economic reasoning, including the definition of economics, positive and normative analysis, and the tools of scientific discovery. (BSS-FLO 1, 3)
2. Apply the market model to describe how the behavior of buyers and sellers determines market outcomes, how interventions in markets affect efficiency, and how markets may fail. (BSS-FLO 1, 4, 6)
3. Define, measure, calculate, and interpret elasticities and their use in firm decision-making and economic policymaking. (BSS-FLO 1, 4, 6)
4. Apply the model of consumer choice to describe optimal behavior by consumers. (BSS-FLO 1).
5. Apply the concept of comparative advantage and market models to describe the potential for gains from trade between agents, including arguments for and against protectionist trade policies between countries. (BSS-FLO 1, 2)
6. Describe the different types of competitive structures that a firm may operate within and optimal firm decision-making in different competitive structures and in the presence of strategic interactions. (BSS-FLO 1, 4, 6)

A more detailed list of learning objectives by chapter is available in Brightspace.

Course Websites

The Brightspace website will be my primary source of communication and exchange of information. This will be the location for you to access course materials (announcements, practice problems, etc.). You should check your grades on Brightspace to verify that they are accurate. If you believe that there is an error with your grades, you should contact me (via e-mail) as soon as possible for assistance.

Students will complete their homework for the course on Macmillan Achieve. If you need product support for the online homework system, Macmillan offers Customer Technical Support at <https://mhe.my.site.com/macmillanlearning/s/article/Contact-Customer-Support-online-or-by-phone> for students.

Announcements

I will send out announcements throughout the course. These announcements will remain on the Announcements page on Brightspace. *Students are expected to read these announcements closely. Failing to read these announcements is no excuse for students failing to complete tasks correctly and/or on time.* If you have a question about something said in the announcement, ask me about it. I am happy to clarify.

Textbooks

We will be primarily using *Principles of Microeconomics, Second Edition*, by Betsy Stevenson and Justin Wolfer, Macmillan, 2023 in this course. The ISBN: 9781319548087 should include a Achieve Access code and an e-textbook. You will need access to Achieve in order to complete your homework assignments. More information on purchasing this textbook is listed below.

We will also use *Principles of Microeconomics, Third Edition* by David Shapiro, Daniel MacDonald, & Steven A. Greenlaw for a few of the topics we will cover. This textbook is free on OpenStax. The link to this textbook is <https://openstax.org/details/books/principles-microeconomics-3e>.

It is highly recommended you have access to these textbooks as this course will follow its material very closely. See next section for additional textbook information.

Online Macmillan Achieve Homework

Homework is meant to build your understanding, not test it, so you should not expect exam questions to look like homework questions. These are formative assessments designed to give you practice applying concepts and building your skills. Homework is completed in an online platform called Macmillan Achieve which includes a digital version of your textbook, your homework, and other resources.

You can work on the homework questions a few at a time, log off, and then return to those you haven't answered yet later if you complete it by the due date. Any question not completed by the due date is graded as incorrect. You get instant feedback on each question you answer and can reattempt any question up to the due date. To prevent students from just guessing until they get something correct, each attempt carries a 1% penalty. For example, suppose a question is worth 10 points and you get it incorrect on the first attempt and correct on the second attempt; you would then get earn 9.9 points on that question. If you are stuck on a homework question and need help, feel free to ask about the question in office hours. You can also email me or the class TAs for help. Please be mindful of email timing. If you email at night or on the weekend, you will likely not hear back as quickly as you would like.

Important: You must register for the Achieve through Brightspace AND access all homework through a link in Brightspace. Failure to utilize these links, or changing your Achieve Log in information will result in Brightspace not recognizing your work and your homework grades will not be included in your course point total. Do not in any instance use a personal email for Achieve or any other assignment, including iClicker, for anything in this course. You must use your @purdue.edu email. Again, to reiterate, if you do not use exclusively your Purdue email, Brightspace will not recognize your homework grades and you may end up with a zero for all homework. There is nothing that can be done to retrieve work if you do not access Achieve through Brightspace. Screenshots are not accepted as a replacement and your grades will not be manually entered if you choose to ignore this.

You have three options for the textbook/homework system. Regardless of the option you choose, when you register for Achieve through the link in Brightspace you can choose the option for a free trial period. If you do this, you do not have to pay anything for two weeks while you decide which option is right for you. You are expected to register for Achieve on the first day of class. Your options to pay for Achieve are:

1. Purchase it directly from the publisher through the Achieve link in Brightspace. This is usually the cheapest option.
2. Purchase an access card from the Purdue bookstore that gives you access to Achieve.
3. Purchase an access card from the Purdue bookstore that gives you access to Achieve + a loose-leaf version of the textbook.

Purchase of Achieve includes a digital copy of your textbook, so unless you have an extremely strong preference for hardback textbooks that are extremely expensive, then I would suggest not purchasing an additional textbook. There is at least one physical copy of the textbook on reserve in the School of Business Library (second floor of the Krannert building).

Participation Points (iClicker Cloud)

This is an in-person class and attendance and participation is required. Note that attendance is not just your body in the classroom: *participation* is required. Most participation points will be earned through an in-class response system called iClicker Cloud which is an in-class response system used with a smart phone. We will use iClicker to track class attendance and respond to questions in class for credit. You can use a smartphone or tablet with the iClicker Cloud app installed. *Note that location must be enabled: iClicker participation is limited to in-class only.* Attempting to answer an iClicker question outside of class or sharing iClicker answers with people outside of your section is an academic honesty violation (aka, “cheating”) and is dealt with according to the academic dishonesty policy in this syllabus.

In most instances, iClicker points are earned based on **both** accuracy and completion (i.e., you must get a question correct to earn at least some of the credit). For example, if you attempt a question but get it wrong, you get 0.25 points. If you get a question correct, you get 1 point. A maximum of 40 participation points can be earned, but any points more than 40 participation points may earn a student extra credit as described in the section below.

Exams

This course will have three exams. The first two exams will be 75 minutes in-person and have 40 multiple-choice questions worth 2.5 point each (100 points total). Each midterm exam will cover a specified set of chapters according to the course announcements. **The final exam will last for 90 minutes, have 60 questions, and will be cumulative.** I will post practice questions for students to use as exam practice, but I highly recommend reading the textbook in addition to reviewing practice questions.

Grading Policy

Letter grades will be assigned based upon your performance on class participation, online homework submissions, and exams. Your final grade will be based on your participation points, three exam scores, and 12 highest online homework scores. Your scores will be weighted as follows:

Grade Item	Points Toward Course Grade	Percentage of Course Grade
Participation	40	10
Online Homework/EOC	60	15
Exam I	100	25
Exam II	100	25
Exam III	100	25
Total	400	100

The course will follow a percentage-based grading system. *I will determine whether a grading curve will be necessary at the end of the semester.* The curve will never be stricter than the 90-80-70-60 standard percentage cutoffs, and plus/minus grades will be assigned (i.e. A+: 100, A: 93-99, A-: 90-92, B+: 87-89, B: 83-86, B-: 80-82, C+: 77-79, C: 73-76, C-: 70-72, D+: 67-69, D: 63-66, D-: 60-62, F: Below 60). I will only round up a student's final course grade if the grade has a decimal value of 0.5% or more (i.e. an 89.5% would become a 90%, but an 89.49% would not change). *I do not adjust student grades individually out of fairness to the entire class.* The final date to withdraw from a course with a W for Fall 2024 is Tuesday, November 19.

Supplemental Instruction (SI)

There are Supplemental Instruction (SI) study sessions available for this course. These study groups are open to anyone enrolled in this course who would like to stay current with the course material and understand the material better. Attendance at these sessions is voluntary, but extremely beneficial for those who attend regularly. Times and locations for the help sessions can be found here: www.purdue.edu/si. Students who attend these interactive sessions will find themselves working with peers as they compare notes, demonstrate and discuss pertinent problems and concepts, and share study and test-taking strategies. Students are asked to arrive with their student ID card, lecture notes and questions to these informal, peer-led study sessions.

SI: Nayfa Johan

Sessions are MW 6:30 p.m. – 7:20 p.m. at Grissom Hall 102 (WALC 3154)

SI Office Hours: Thursday 11:30 a.m. – 12:30 p.m. in person at the Academic Success Center (WILY C215)

More information about SI for this and other classes you may have can be found at <https://www.purdue.edu/asc/si/schedule.html>

Extra Credit

There are four planned opportunities for extra credit, each of which will be added to the final points accumulated in the course at the end of the semester.

Test Drive at taking an exam in Elliott Hall: Taking an exam in Elliott Hall can be an overwhelming and confusing experience for the first time, which is a terrible way to start an exam. To mitigate this, we will have a “test drive” of the exam experience on *Wednesday, September 4*. This is not a practice test in the sense of having test questions (although there will be some past economics exam questions on there), but it gives you the experience of finding your assigned seat, listening to instructions, turning in your exam with all the correct information on it, etc. If you participate in the Test Drive and correctly turn in your completed Test Drive test with all the correct information on it, you earn 2 points (i.e. 2 points would be

added to your score out of 400 points, this does not mean you earn an additional 2 percentage points), so 2 points would be added to the total course score out of 400 points possible.

Podcast Assignments: One of the best ways to prepare for a class is to get a preview of the topics covered. Most weeks, there is a podcast assignment that involves listening to a brief podcast by your textbook authors (usually 15 minutes) and completing a brief activity/set of questions on it. You can earn up to 3 points of extra credit based on your grades on the podcast assignments (i.e. 3 points would be added to your score out of 400 points, this does not mean you earn an additional 3 percentage points). For example, suppose you have a 90% on the podcast assignments. You would earn $0.9 \times 3 = 2.7$ points of extra credit, so 2.7 points would be added to the total course score out of 400 points possible.

Alumni Day: On Thursday, September 26, the Economics Department has arranged for Economics Alumni to speak to ECON 251 students. To earn the Alumni Day extra credit, you must complete the activities for this event (attend the panel and check in at the beginning and answer a few questions during the event).

Excelling in iClicker and Participation Points: If a student earned more than 40 iClicker and participation points, students shall earn up to 6 additional extra credit points (i.e. 6 points would be added to your score out of 400 points, this does not mean you earn an additional 6 percentage points) based on the percentage of additional points they earn:

- o 0% of excess (only minimum 40 points earned): 0 points of extra credit
- o X% of excess: X% of 6 points.

For example, suppose a total of 55 participation points are possible during the semester, but a student has earned 53 points. 40 of those points go directly to a student's grade. This leaves 13 points in excess of 40 points out of the 15 excess points possible, or $13/15 \times 100\% = 86.67\%$. This would earn $86.67\% \times 6 \text{ points} = 5.20$ points of extra credit, so 5.20 points would be added to the total course score out of 400 points possible.

Note: There are no makeups on iClicker points unless students provide documentation through ODOS, MEAPS, university-sponsored events, or DRC accommodations that indicate a modified attendance policy.

There are no additional extra credit opportunities offered on an individual basis. Please note that *extensions and makeups are not given* on extra credit for any reason. No other additional extra credit, "grade bumps," or curves will be added to your grade and all requests for these will be ignored. There is absolutely no exception to this policy. *Again, I do not adjust student grades individually out of fairness to the entire class.*

Exam Makeup Policy

If you must miss an exam because of participation in a university sponsored trip or activity (documented by a club or team sponsor), or a time conflict with another class (documented by your

professor), you will need to notify me at least a week in advance and take a makeup exam *before* the regularly scheduled exam takes place.

If you miss an exam because of illness or family emergency, you should provide appropriate documentation to me *before* the exam has taken place. If such is presented and found valid, the weight of a missed midterm exam will be added to your final exam (i.e. your final will be worth 50 percent of your course grade). In the case that the missed exam is the final exam, an oral makeup exam will be administered.

Do not make end of semester travel plans before the final exam date is announced by the university. No exam makeups will be offered during finals week to accommodate personal travel plans.

Homework Makeup Policy

If you have an absence that falls under the [University Absence policy](#), we can discuss an appropriate extension. Other extensions may be granted on a case-by-case basis at the sole discretion of Mr. Knepper. Late work on an online homework assignment is accepted up to 4 days late without a late penalty (for example, if a due date is on Monday at 3 PM, there is no penalty for finishing homework if it is finished by 3 PM Friday). After 4 days, the grade will be a zero for any unfinished work). Exceptions to this policy are on a case-by-case basis, and you should contact the instructor if you have concerns.

In-class Participation Points Makeup Policy

There are no makeups for in-class participation points (iClicker) for absences that do not fall under the [University Absence policy](#) as there will be ample opportunity to achieve 40 points of participation credit. For absences that fall under University Absence Policy or a DRC required modified attendance policy and are fully documented, full credit is given for the missed participation. Please do not come to class, exams, SI sessions, or office hours sick. If you have an issue with iClicker in class, you must see the professor immediately after class for instructions.

Academic Dishonesty

Academic integrity is one of the highest values that Purdue University holds. Individuals are encouraged to alert university officials to potential breaches of this value by either emailing integrity@purdue.edu or by calling 765-494-8778. While information may be submitted anonymously, the more information is submitted the greater the opportunity for the university to investigate the concern. More details are available on our course Brightspace under University Policies and Statements.

I encourage you to study with one another and discuss among yourselves the material from class. However, during exams you are not permitted to use any books, notes, or information from other students. The use of cell phones, smart phones, tablets, and similar devices during exams is prohibited. You are also prohibited from sharing material from exams with anyone, in any format, including (but not limited to) taking photos of exams, commercial websites such as Artificial intelligence platforms (like

ChatGPT, Claude, or Bing), Course Hero, Chegg or social media applications such as GroupMe, Twitch, Discord, etc.

All suspected incidents of academic dishonesty will also be referred to the Office of Student Rights and Responsibilities for further review of the student's status with the University, which may include being separated from the University. For a more thorough definition of academic dishonesty and a discussion of its repercussions, please see Purdue's [student guide for academic integrity](#). If a student is found to be cheating, the student will receive an "F" for the course and will be reported to the Office of Student Rights and Responsibilities for potential further sanctions. Do your own work!

Nondiscrimination Statement

Purdue University is committed to maintaining a community that recognizes and values the inherent worth and dignity of every person; fosters tolerance, sensitivity, understanding, and mutual respect among its members; and encourages each individual to strive to reach his or her potential. In pursuit of its goal of academic excellence, the University seeks to develop and nurture diversity. The University believes that diversity among its many members strengthens the institution, stimulates creativity, promotes the exchange of ideas, and enriches campus life. A hyperlink to Purdue's full Nondiscrimination Policy Statement is included in our course Brightspace under University Policies and Statements.

Accessibility Statement

Purdue University strives to make learning experiences as accessible as possible. If you anticipate or experience physical or academic barriers based on disability, you are welcome to let me know so that we can discuss options. You are also encouraged to contact the Disability Resource Center at drc@purdue.edu or by phone at 765-494-1247. More details are available on our course Brightspace under Accessibility Information.

If this applies to you, please send me your DRC paperwork *by Friday, September 9, 2024*.

Mental Health Statement

If you're struggling and need mental health services, Purdue University is committed to advancing the mental health and well-being of its students. If you or someone you know is feeling overwhelmed, depressed, and/or in need of mental health support, services are available. For help, such individuals should contact [Counseling and Psychological Services \(CAPS\)](#) at 765-494-6995 during and after hours, on weekends and holidays, or by going to the CAPS office of the second floor of the Purdue University Student Health Center (PUSH) during business hours.

If you need support and information about options and resources, please contact or see the [Office of the Dean of Students](#). Normal drop-in hours are Monday through Friday, 8 a.m. to 5 p.m. eastern time.

Basic Needs Security

Any student who faces challenges securing their food or housing and believes this may affect their performance in the course is urged to contact the Dean of Students for support. There is no appointment needed and Student Support Services is available to serve students 8 a.m. – 5 p.m. Monday through Friday.

Emergency Preparation

In the event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances beyond the instructor's control. Relevant changes to this course will be posted onto the course website or can be obtained by contacting the instructors or TAs via email or phone. You are expected to read your @purdue.edu email on a frequent basis. A link to Purdue's Information on Emergency Preparation and Planning is located on our Brightspace under "University Policies and Statements." This website covers topics such as Severe Weather Guidance, Emergency Plans, and a place to sign up for the Emergency Warning Notification System. I encourage you to download and review the Emergency Preparedness for Classrooms document ([PDF](#)).

No class on the following days:

- Monday, September 2, 2024 – Labor Day
- Thursday, September 26, 2024 – Evening Exam 1 Compensation Day
 - The Alumni Day extra credit opportunity will be held in class in place of a regular lecture
- Tuesday, October 8, 2024 – Fall Break
- Tuesday, November 26, 2024 – Evening Exam 2 Compensation Day

ECON 251 FALL 2024 COURSE SCHEDULE

Week	Topic & Readings	Assignments & Exam Dates (required assessment in bold , <i>extra credit in italics</i>)
1	The Core Principles of Economics & Basic Concepts Reading: Macmillan Chapter 1	<i>Week 1 Podcast Due Wednesday 8/21 at 3 p.m. EST</i>
2	Demand & Supply Reading: Macmillan Chapter 2 Macmillan Chapter 3	Orientation to Achieve (1 participation point) Achieve Homework 0: Using the Assessment Tools Achieve Homework 1 All of the above are Due Monday 8/26 at 3 p.m. EST <i>Week 2a Podcast Due Tuesday 8/27 at 3 p.m. EST</i> <i>Week 2b Podcast Due Thursday 8/27 at 3 p.m. EST</i>
3	Markets & Equilibrium Reading: Macmillan Chapter 4	Achieve Homework 2 Due Tuesday 9/3 at 3 p.m. EST <i>Week 3 Podcast Due Monday 9/3 at 3 p.m. EST</i>
4	Elasticity Reading: Macmillan Chapter 5	Achieve Homework 3 Due Monday 9/9 at 3 p.m. EST <i>Week 4 Podcast Due Tuesday 9/10 at 3 p.m. EST</i>
5	Intervening in Markets Reading: Macmillan Chapter 6	Achieve Homework 4 Due Monday 9/16 at 3 p.m. EST <i>Week 5 Podcast Due Tuesday 9/17 at 3 p.m. EST</i>
6	Utility & Consumer Choice Reading: OpenStax Chapter 6 (link in Brightspace under Content ☐ OpenStax)	EXAM I THURSDAY, SEPTEMBER 26 AT 8 PM EST IN ELLIOT Achieve Homework 5 Due Monday 9/23 at 3 p.m. EST <i>Alumni Day Extra Credit Due Thursday 9/26 in class</i>
7	Measuring Efficiency Reading: Macmillan Chapter 7	Achieve Homework 6 Due Monday 9/30 at 3 p.m. EST <i>Week 7 Podcast Due Tuesday 10/1 at 3 p.m. EST</i>
8	Trade Reading: Macmillan Chapter 8 Intro, 8.1, 8.2, & 8.3 Macmillan Chapter 9 Intro, 9.1, 9.2, 9.3, & 9.4	Achieve Homework 7 Due Monday 10/9 at 3 p.m. EST <i>Week 8 Podcast Due Tuesday 10/10 at 3 p.m. EST</i>
9	Externalities & Public Goods Reading: Macmillan Chapter 10	Achieve Homework 8 Due Monday 10/14 at 3 p.m. EST <i>Week 9 Podcast Due Tuesday 10/15 at 3 p.m. EST</i>
10	Market Power Reading: Macmillan Chapter 14	Achieve Homework 9 Due Monday 10/21 at 3 p.m. EST <i>Week 10 Podcast Due Tuesday 10/22 at 3 p.m. EST</i>
11	Costs of Production Reading: OpenStax Chapter 7 (link in Brightspace under Content ☐ OpenStax)	EXAM II TUESDAY, NOVEMBER 5 AT 8 P.M. EST IN ELLIOT Achieve Homework 10 Due Monday 10/28 at 3 p.m. EST <i>There is no extra credit this week</i>
12	Entry, Exit, Profitability, & Pricing Reading: Macmillan Chapter 15 Macmillan 16.1 & 16.2	Achieve Homework 11 Due Monday 11/04 at 3 p.m. EST <i>Week 12 Podcast Due Tuesday 11/5 at 3 p.m. EST</i>
13	Strategic Thinking & Game Theory Reading: Macmillan Chapter 17.1, 17.2, & 17.3 Macmillan Chapter 18.1 & 18.2	Achieve Homework 12 Due Monday 11/11 at 3 p.m. EST <i>Week 13 Podcast Due Tuesday 11/12 at 3 p.m. EST</i>
14	Poverty and Inequality Reading: Macmillan Chapter 13	Achieve Homework 13 Due Monday 11/18 at 3 p.m. EST <i>Week 14 Podcast Due Tuesday 11/19 at 3 p.m. EST</i>
15	Thanksgiving Break!	Achieve Homework 14 Due Monday 11/25 at 11:59 p.m. EST <i>There is no extra credit this week</i>
16	Quiet Week Finish any remaining material and/or Final Exam Review	None

17	Finals Week	TBA
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