



**SUFFOLK**  
**UNIVERSITY**  
MADRID CAMPUS

**Madrid Campus Programs**

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**EC 101 M1 - APPLIED MICROECONOMICS**

Spring 2018

**Instructor Information:**

**Instructor:** Staff

**Phone:** 91-533-5935

**Office:** Humanities & Social Sciences office, top floor

**Office Hours:** Tuesday and Thursday 14:00-15:00

**Homepage:** [www.suffolk.edu/academics/18429.php](http://www.suffolk.edu/academics/18429.php)

**Course Information:**

**Class Meetings:** Tuesday & Thursday 12:30-14:00– Room 1

**Catalog Description:** The course examines the workings of the national and the global economy. It will describe the determination of Gross Domestic Product, the problems of unemployment, inflation, and the determination of economic growth. It will also describe and analyze the determination of the country's exchange rate, the balance of payments, and international borrowing and lending. A particular focus will be on understanding economic fluctuations (booms, busts, and recessions) in the domestic economy and its effects on other economies. It will analyze the role of the government and the effects of government spending and taxation on the economy. Furthermore, it will describe and analyze the determination of the quantity of money and interest rates in the economy and the role of the country's central bank. It examines the basis and pattern of international trade and the effects of a country's trade policy on the economy.

**Prerequisites:** None

**Credit Hours:** 3

This course follows the US Federal Government's Credit Hour definition: "An amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutional established equivalence that reasonably approximates no less than:

- (1) One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time; or
- (2) At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours."

For full up-to-date statement:

[https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy\\_On\\_Credits\\_And\\_Degrees.pdf](https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy_On_Credits_And_Degrees.pdf)

A more detailed breakdown of the student engagement is given below:

<b>Assignment/Activities</b>	<b>Engagement Estimate</b>	<b>Engagement Hours</b>
Course Readings	160 pages x 10min per page	27 hours
Review Power point	20 hours	20 hours
Applied & homework exercises	20 hours preparation	20 hours
Midterm exam	10 hours preparation	10 hours
Final paper	14 hours preparation	14 hours
Class attendance	3 x 15 hours	45 hours
Final Exam	15hours	15 hours
<b>TOTAL</b>		<b>151 engagement hours</b>

**Textbook/Course Materials:**

Samuelson, P.A. & Nordhaus, W.D., "Economics", 19<sup>th</sup> edition, McGraw-Hill, New York, 2010

**Course Goals & Learning Objectives:**

<b>Upon successful completion of this course, students will know/understand</b>	<b>Upon successful completion of this course, students will be able to</b>	<b>How the student will be assessed:</b>
<ul style="list-style-type: none"> <li>• Introductory microeconomic theory and solve basic microeconomic problems</li> </ul>	<ul style="list-style-type: none"> <li>• To recognize the pervasiveness of scarcity and the consequent need to evaluate tradeoffs, and to apply the method of optimization to specific management problems.</li> </ul>	<ul style="list-style-type: none"> <li>• Homework</li> <li>• Assigned readings</li> <li>• Lectures</li> <li>• Problem sets solved with computer</li> <li>• Midterm exam</li> <li>• Midterm paper</li> <li>• Final Exam</li> </ul>
<ul style="list-style-type: none"> <li>• The framework for learning about and understanding consumer behavior and analyzing consumer decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• To identify the factors that influence the demand and supply of goods and services; and to apply demand-and-supply analysis to specific market settings to predict pricing and market-exchange outcomes, including the effects of price floors and of taxation.</li> <li>• To compute elasticities of demand and supply and to relate measures of elasticities to specific market and revenue outcomes.</li> </ul>	
<ul style="list-style-type: none"> <li>• The behavior of firms.</li> </ul>	<ul style="list-style-type: none"> <li>• To illustrate common productivity and cost phenomena, in both the short and long run, algebraically and graphically, and to analyze managers' cost-minimizing practices in specific industry settings.</li> <li>• To apply the concept of profit-maximizing decision-making to managerial output decisions in competitive, monopolistically competitive, and monopoly industry settings.</li> <li>• To identify strategic pricing options for firms with market power, and in oligopoly industry settings, and to predict strategic pricing choices in specific market settings</li> </ul>	
<ul style="list-style-type: none"> <li>• How to analyze different types of market structures (monopoly, oligopoly and a competitive market).</li> </ul>	<ul style="list-style-type: none"> <li>• To characterize the roles of uncertainty and asymmetric information in managerial compensation, and in firms' governance choices, in specific firm settings.</li> </ul>	
<ul style="list-style-type: none"> <li>• How to use economic tools to analyze economic policies.</li> </ul>	<ul style="list-style-type: none"> <li>• To predict the impact of government action on managerial choice, and on producer and consumer surplus, in specific industry.</li> </ul>	

### **Course Policies:**

Papers and written assignments must be printed out on paper and handed in during class time. Homework may not be sent by e-mail beyond the established deadline. Final papers submitted after the established deadline **WILL NOT** be accepted.

### **Classroom policies:**

- Students are not allowed to eat in class.
- *Use cell phones* only for academic purposes.
- Student conduct: Students are expected to follow all university policies on academic conduct (e.g., those regarding plagiarism and cheating, being cooperative and respectful with their classmates and instructors, etc.). The first incidence regarding academic conduct will be dealt directly with the instructor. **Two incidences will immediately be turned in to Suffolk authorities for immediate correction.**
- Students must remain in the classroom throughout the class meeting (except for emergencies).

### **Grading/Evaluation:**

Midterm Exam	25%
Final Exam	25%
Term paper and presentation	20%
Presentation of homework	15%
Presentation of computer's work	10%
Participation in class	5%

### **Assignments/Exams/Papers/Projects:**

Students will be evaluated in the following areas:

**Homework.** Students are required to work on assigned exercises and questions daily, and to discuss them in class. The class on Thursdays (as a rule) will consist on the presentations of each student of his/her homework supervised by the professor.

**Computer class.** The course will have at least 5 sessions of computer work. Windows Excel knowledge is necessary. Using the databases of International Monetary Fund and Eurostat, students have to make short term analysis and structural analysis of some current macroeconomics problems.

**Term paper.** Students will write a term paper on a contemporary macroeconomic issue (financial crises, central bank decisions, public policy, economic programs of new governments, etc.). The objective of the papers is to develop analytical skills and the ability to assume and defend a position regarding economic and political issues. Students must choose a topic. The paper will be due in April and must be accompanied by a full bibliography.

- The papers must have complete, correctly prepared footnotes.
- Format: Word Document, Times New Roman/Tahoma 12, 1.5 interlined space, text fully justified
- Extension: A **minimum of 10 pages** (including graphs, tables, etc.)

### **Participation/Attendance Policy:**

The SUMC Student Handbook states the following:

*Once a student is registered for a course, attendance at every meeting of every class is expected, including those held in the first week of the semester. A maximum of two unjustified absences is permitted. Each additional absence will cause the final course grade to be lowered by one-third of a letter grade, i.e., from A to A-; A- to B+; B+ to B, etc.*

*Excessive absences in a course will have a negative effect on the final grade. When a student is absent, the quality of his or her work in a course will deteriorate since material missed in class sessions can rarely be made up satisfactorily, even though the student remains responsible for that work.*

*Please note that even when a student has a justified reason for missing class, such as illness, the negative academic impact on learning will be the same as if the absence were for spurious reasons.*

*In this course, any absence due to illness should be justified by a note from the student's physician or other health professional confirming the day(s) on which the student was unable to attend class. A written excuse from a student's host parent or residence supervisor is also acceptable.*

*In the event that a class meeting is unexpectedly cancelled, students will be expected to continue with readings or other assignments as originally scheduled. Any assignments due or class activities (e.g., a quiz, exam or presentation) planned for such a cancelled class are due at the next class meeting unless other instructions are communicated.*

**Disability Statement:**

If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in my classroom.

If formal, disability-related accommodations are necessary, it is very important that you be registered with the Office of Disability Services (ODS) at the main Campus in Boston so that I am notified of your eligibility for reasonable accommodations. We can then plan how best to coordinate your accommodations. Check the ODS web site at [www.suffolk.edu/disability](http://www.suffolk.edu/disability) for information on accommodations.

**Student Resources:**

SUMC provides a range of student services, both academic and personal. To learn more about course-related tutorials and academic workshops, refer to the SUMC Student Handbook, Section 2 "Academic Policies and Services". Section 5, "Living in Madrid", contains information on the medical and mental health resources, including an English-speaking therapist, available to you.

**Midterm Review:**

At midterm, around week 6, you will be given a midterm grade based on your progress to date and performance on presentations, quizzes and the midterm exam.. Midterm grades of C- or below will be reported to the Madrid Campus Academic Standing Committee, with an explanation of what I believe has contributed to that grade: excessive absences, poor time management or study skills, lack of effort, difficulty with the course material or with writing or language skills, etc. The Academic Standing Committee or I may contact you to suggest strategies for addressing these difficulties. I strongly encourage you to visit me during my office hours so we may discuss how you can be successful in this class.

**Academic Misconduct:** [www.suffolk.edu/studenthandbook/19863.php](http://www.suffolk.edu/studenthandbook/19863.php)

Suffolk University expects all students to be responsible individuals with high standards of conduct. Students are expected to practice ethical behavior in all learning environments and scenarios, including classrooms and laboratories, internships and practice, and study groups and academic teams. Cheating, plagiarism, unauthorized collaboration, use of unauthorized electronic devices, self-plagiarism, fabrication or falsification of data, and other types of academic misconduct are treated as serious offenses that initiate a formal process of inquiry, one that may lead to disciplinary sanctions.

Student work will be thoroughly examined for academic integrity and may be scanned using plagiarism detection software. A faculty member suspecting academic misconduct will contact the student using the Suffolk email address to schedule a meeting and will make all effort to do so within five business days of detecting the incident. During the meeting, the faculty member will present the documentation that led to suspected academic misconduct. Resolution of the incident will be according to the procedures outlined in the SUMC Student Handbook.

**Academic Grievances Policy:**

[www.suffolk.edu/studenthandbook/67192.php](http://www.suffolk.edu/studenthandbook/67192.php)

**Course Schedule:**

The schedule, policies, procedures, and assignments in this course are subject to change.

<b>Week</b>	<b>General topic of lesson</b>	<b>Readings or other assignments due</b>
1	Lesson 0: Course presentation	None
2	Lesson 1: What is microeconomics? Part I	Homework .Textbook exercises chapter 1, 2 and 3
3	Lesson 2: What is microeconomics? Part II	Homework. Textbook exercises chapter 1, 2 and 3
4	Lesson 3: Supply and demand. How do markets work?	Homework. Textbook exercises chapter 4
5	Lesson 4: Demand and consumer behavior. The elasticity of demand.	Homework. Textbook exercises chapter 5
6	Applied lesson. Computer work.	Interpretation of the results
7	Midterm exam	<b>22 February</b>
8	Lesson 5. The behavior of firms and the organization of industry. Costs.	Homework. Textbook exercises Chapters 6 and 7
9	Applied lesson. Computer work. The analysis of real costs	Discussion of results
10	Lesson 6: Perfect competitive markets.	Homework. Textbook Chapter 8
11	Lesson 7: Imperfect competition. Monopolies.	Homework. Textbook Chapter 9
12	Applied lesson. Computer work	Discussion of results
13	Lesson 8: Topics in microeconomics.	How to write a good term paper in Microeconomics
14	Class presentation of term papers.	
15	Review for final exam	
	Final exam	<b>8 May</b>