

Microeconomic Principles

Prof. Dillon Tauzin

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Office Hours: Tues 10am-11am; Wed 10am-11am

Office location: Buchanan Hall D101

TR: 3pm-4:15pm

Classroom: ENT 275

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“We must regard industrial and commercial life, not as a separate and detached region of activity, but as an organic part of our whole personal and social life; and we shall find the clue to the conduct of men in their commercial relations, not in the first instance amongst those characteristics wherein our pursuit of industrial objects differs from our pursuit of pleasure or of learning, or our efforts for some political and social ideal, but rather amongst those underlying principles of conduct and selection wherein they all resemble each other.”

-Philip H. Wicksteed

Economics is a scientific lens that brings into focus otherwise inscrutable social phenomena. It's how we understand social life. It is not limited to commercial activity; it also applies in matters of romance, religion, education, crime, virtue, and compassion. Economics is global. Economics is personal. It is both incredibly fun and deadly serious.

Like other sciences, economics cannot tell us what *should* be done. But economics is necessary if we wish to responsibly and successfully choose from among alternatives.

This course will introduce you to the basic tools of economic analysis, and it will encourage you to explore the world around you through the economic lens.

Course objectives:

- You will understand the fundamental economic problem of scarcity and its relationship to human choice.
- You will be able to use the framework of supply and demand to interpret and tell coherent economic stories in the world.
- You will be able to explain the role of institutions in facilitating coordination among many people with disparate plans.
- You will understand the microeconomic foundations of macroeconomic news stories.

Texts

Required:

Heyne, Boettke, Prychitko, *The Economic Way of Thinking 13e*

Other readings will be made available through Blackboard.

Assessment

Tests will be based primarily on lecture material, but the student is responsible for any assigned reading. The participation grade will be based on a combination of attendance, class engagement, and familiarity with the assigned reading. If circumstances requiring missing a lesson, I strongly recommend making use of office hours to keep up with the material. Beginning on September 24, students will be required to turn in weekly assignments applying the supply and demand framework to some topic in the world. Details about this assignment will be given in class on September 19. Lastly, the student is required to read a book that uses the economic way of thinking and turn in a short review. Details about this assignment will be given in class.

The grade distribution is as follows.

20% S&D Stories
20% Book Review
20% Participation
20% Midterm
20% Final

Grades are assigned according to the following scale.

A	90-100
B	80-89.9
C	70-79.9
D	60-69.9
F	< 60

Schedule

Units	Date	Topics	Readings	Assignment
1	27-Aug	Syllabus day		
2	29-Aug	The Economic Way of Thinking	CH1	
3	3-Sep	Efficiency, Exchange, & Comparative Advantage	CH2	
4	5-Sep	Substitutes Everywhere: Demand	CH3	
5	10-Sep	Cost & Choice: Supply	CH4	
6	12-Sep	Supply & Demand: A Process of Coordination	Reed "I, Pencil," CH5	
7	17-Sep	Unintended Consequences: Applying S&D	CH6	
8	19-Sep	Telling Stories with S&D	Becker, "Crime and Punishment: An Economic Analysis"	
9	24-Sep	Ch7 Profit & Loss	CH7	Supply & Demand Stories #1
10	26-Sep	Ch8 Price Searching	CH8	
11	1-Oct	Market process & Entrepreneurship	Hayek, "Use of Knowledge in Society"	S&DS#2
12	3-Oct	Institutions	TBA	
13	8-Oct	Review		S&DS#3
14	10-Oct	Midterm		
	15-Oct	No class		
15	17-Oct	Ch9 Competition & Gov Policy	CH9	
16	22-Oct	Ch10 Externalities and Conflicting Rights	CH10	S&DS#4
17	24-Oct	Ch11 Markets & Gov	CH11	
18	29-Oct	Ch12 The Distribution of Income	CH12	S&DS#5

19	31-Oct	Macroeconomic Questions, Microeconomic Answers	TBA	
20	5-Nov	Ch13 Measuring Economic Performance	CH13	S&DS#6
21	7-Nov	Ch14 Money	CH14	
22	12-Nov	Ch15 Economic Performance & Real World Politics	CH15	S&DS#7
23	14-Nov	Ch16 Wealth of Nations: Globalization & Growth	CH16	
24	19-Nov	Economic Calculation	TBA	S&DS#8
25	21-Nov	Economic Methodology	TBA	
	26-Nov	No class		
	28-Nov	No class		
26	4-Dec	Overview	Review	
27	6-Dec	Review	Review	Book Review Due

*This schedule is a road map for our class, and is subject to revision as the class progresses.

Policies

- Last day to add classes: September 3
- Last day to drop with no tuition penalty: September 9
- Final drop deadline w/ 50% tuition penalty: September 17
- Student Self-Withdrawal Period: September 18 to September 30

Students are responsible for regularly checking their GMU email accounts. Any announcements not made in class will be delivered here.

The final exam will take place on Thursday 12/12 at 1:30pm in accordance with the university calendar. No make-up exams will be given except under extreme circumstances. In accordance with university policy, if you have three or more exams on the date of the final examination, you may reschedule it. To do so, you must contact me no less than one week prior to the final exam date.

If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Resources at 703.993.2474. All academic accommodations must be arranged through that office.

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. *Cheating, plagiarism, lying, and stealing are all prohibited. All violations of the Honor Code will be reported to the Honor Committee.*

George Mason University is committed to providing a learning, living and working environment that is free from discrimination and a campus that is free of sexual misconduct and other acts of interpersonal violence in order to promote community well-being and student success. We encourage students who believe that they have been sexually harassed, assaulted or subjected to sexual misconduct to seek assistance and support. [University Policy 1202: Sexual Harassment and Misconduct](#) speaks to the specifics of Mason's process, the resources, and the options available to students.

As a faculty member and designated "Responsible Employee," I am required to report all disclosures of sexual assault, interpersonal violence, and stalking to Mason's [Title IX Coordinator](#) per [university policy 1412](#). If you wish to speak with someone confidentially, please contact the [Student Support and Advocacy Center](#) (703-380-1434) or [Counseling and Psychological Services](#) (703-993-2380). You may also seek assistance from [Mason's Title IX Coordinator](#) (703-993-8730; titleix@gmu.edu).