

Certificate in Nunavut Public Service Studies
PRINCIPLES OF MICROECONOMICS (ECON 1000)

Winter 2007

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Course website: on WebCT (available through www.carleton.ca).

General Description of Course

Almost every decision we make as individuals, firms, communities or governments has economic implications or is the results of economic incentives. Decisions have, however, also social and environmental impacts. This course is an introduction to the economic dimension and how it is related to social and environmental aspects of individual and communal decision-making.

Distinction between Micro-and Macroeconomics:

Microeconomics looks at particular aspects of society and how these aspects affect society as a whole. For example, you might examine the behaviour and decision-making by individuals and households, institutions and firms, or different societal groups and consider the need for government intervention or the development of public policies.

Macroeconomics examines the performance and developments of the economy as a whole, including inflation, unemployment, business cycles and economic growth, from a Canadian, Nunavut or global perspective.

Objectives of Microeconomics

To better understand how individuals and firms make choices, and how governments can best assist to improve social welfare in the most efficient manner. In this course we also will evaluate specific policy options for different areas of government involvement in Nunavut such as: taxation, transfer payments, social welfare programs, public good provision, environmental externalities and natural resources.

Some suggestions how to proceed in this course

Microeconomics consists of a number of principles and a special vocabulary of terms that students need to learn. The material builds up cumulatively, and, it is, therefore, important that:

- Students follow each step and study each segment carefully in sequence
- Make sure they comprehend each principle
- Practice applications to everyday situations and problems

Textbooks used in this course

1. Mankiw, Kneebone, McKenzie and Rowe, *Principles of Microeconomics, 3rd Canadian edition*, Nelson Publishers, 2006.
2. Mankiw, Kneebone, McKenzie and Rowe, *Principles of Microeconomics, 3rd Canadian edition*, Nelson Publishers, 2006, accompanying *Study Guide*.
3. Miller, Benjamin and North, *The Economics of Public Issues, 14th edition*, Pearson Education, 2005.

Course Structure and Setup

In early January:

- Math tutorial review of essential principles

Course start: week of Feb. 4th

Each week:

- My lecture notes/video/audio
- E-mail and phone support
- Facilitator workshops
- Online discussion groups with other students (which counts for participation mark in the course).
- Self-guided quizzes, puzzles and other question sets

Every other week:

- An assignment to hand in. The best **4 out of 5** assignments will count for final mark (see evaluation section below).

After each section in the course:

- Online quiz that does not count for marks but that you need to pass before moving on to next section.

At the end of the course:

- Final exam

Student evaluation, weights, due dates and guidelines: (may be subject to change depending on the course start date)

	Due date	
Assignment 1	Feb. 23	
Assignment 2	March 16	
Assignment 3	March 30	
Assignment 4	April 13	
Assignment 5	April 26	
The best 4 assignments are worth 10 % each.		
	Weight	
Class participation	15 %	
Final examination	45 %	May 4 in class

Students are required to inform the instructor as soon as possible when missing assignments or exams, either well in advance of missing an assignment or exam or immediately after an unexpected event. Students must submit their own individual work. Any copy of sections of other people's material in assignments, papers or examinations

(other people are referred to as other students, authors, online sources, etc.) is considered plagiarism and is therefore subject to University regulations and University sanctions. University regulations and policy regarding plagiarism can be found here (Section E): <http://www.carleton.ca/cuuc/regulations/acadregsuniv.html>

Carleton Grading Scheme (based on percentage):

A+	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
90-100	85-89	80-84	77-79	73-76	70-72	67-69	63-66	60-62	57-59	53-56	50-52	0-49

Approximate Course Schedule, Sections and Required Readings

Every week there will be required readings from the main textbook (Mankiw, Kneebone, McKenzie and Rowe, *Principles of Microeconomics, 3rd Canadian edition*) and other sources, and there will be assigned readings for the discussion groups from Miller, Benjamin and North, *The Economics of Public Issues, 14th edition* or other sources. **Please discuss the assigned readings and related discussion questions online with others in the course.**

Note: The reading schedule could be changed as the course proceeds, additional readings might be assigned during the course of the semester and some readings might be taken off the list!

Detailed Course Breakdown:

Early to late January 2007 TO DO:

- Math preparation and review prepared by Jen Schellinck
- WebCT resources and familiarization
- Your textbook math review online (link exists through WebCT site)
- Appendix of chapter 2 in Mankiw, Kneebone, McKenzie and Rowe
- Course orientation

1st Segment of the Course (Feb 5 – 9th):

Introduction to the Course

- *The Principles of Economics*
Video lecture 1
 - **Correction:** I say in the lecture that there will be 6 assignments – **there will be only 5**. The best 4 out of 5, **NOT** 5 out of 6, count for assignment grades

Read: Chapter 1 in Mankiw, Kneebone, McKenzie and Rowe

Please participate in discussing topic 1 online, individually.

At the end of this segment please complete quiz 1 on our webct (this will not affect your grade but will enable you to check if you are ready to proceed to the next segment of the course).

2nd Segment of the Course (Feb.12 - 16th):

The Gains from Trade

Lecture Notes Week 2

Read: Chapter 3 in Mankiw, Kneebone, McKenzie and Rowe

Please participate in discussing topic 2 online.

At the end of this segment please complete quiz 2 on our website.

3rd Segment of the Course (Feb.19 – Mar 2nd):

Supply and Demand

- The Functioning of Markets
Lecture Notes Week 3
Read: Chapter 4 in Mankiw, Kneebone, McKenzie and Rowe

Feb. 23 Assignment 1 is due!

- Demand and Supply Elasticity
Lecture Notes Week 4
Read: Chapter 5 in Mankiw, Kneebone, McKenzie and Rowe

Please participate in discussing topic 3 online.

At the end of this segment please complete quiz 3 on our website.

4th Segment of the Course (Mar 5-16th):

The Role of Government, Public Policy and the Impacts of Government Involvement

- Government policies, instruments and the effects on markets
Lecture Notes Week 5
Read: Chapter 6 in Mankiw, Kneebone, McKenzie and Rowe

- Social welfare, the role of communities and the efficiency of markets
Lecture Notes Week 6
Read: Chapter 7 in Mankiw, Kneebone, McKenzie and Rowe
S. Bowles and H. Gintis (2002). “Social Capital and Community Governance”.
The Economic Journal, 112, November, 419-436.

Please participate in discussing topic 4 online

At the end of this segment please complete quiz 4 on our website.

March 16 Assignment 2 is due!

5th Segment of the Course (March 19 -30th):

Natural Resources, Externalities and Public Goods

- Externalities
Lecture Notes Week 7
Read: Chapter 10 in Mankiw, Kneebone, McKenzie and Rowe
“Environmental Changes”, pages 118-137 in *Inuit Qaujimaningit Nanurnut*,
prepared by Darren Keith, Gjoa Haven Hunters’ and Trappers’ Organization and
CCI Press, 2005.
- Public Goods, Common Resources and Natural Resource Management
Lecture Notes Week 8
Read: Chapter 11 in Mankiw, Kneebone, McKenzie and Rowe
“Tradition, Culture and Beliefs”, pages 61-91 in *Inuit Qaujimaningit Nanurnut*,
prepared by Darren Keith, Gjoa Haven Hunters’ and Trappers’ Organization and
CCI Press, 2005.

Please participate in discussing topic 5 online

At the end of this segment please complete quiz 5 on our website.

March 30th Assignment 3 is due!

6th Segment of the Course (April 2 – 13th):

The Cost of Production and Firm Behaviour

- Production Costs
Lecture Notes Week 9
Read: Chapter 13 in Mankiw, Kneebone, McKenzie and Rowe
- Firm Behaviour in Competitive Markets
Lecture Notes Week 10
Read: Chapter 14 in Mankiw, Kneebone, McKenzie and Rowe

Please participate in discussing topic 6 online

At the end of this segment please complete quiz 6 on our website.

April 13th Assignment 4 is due!

7th Segment of the Course (April 16-27th):

Market Structure and Industrial Organization

- Monopoly and Public Policy
Lecture Notes Week 11
Read: Chapter 15 in Mankiw, Kneebone, McKenzie and Rowe
- Game theory and Oligopolistic Markets

Lecture Notes Week 12

Read: Chapter 16 in Mankiw, Kneebone, McKenzie and Rowe

Please participate in discussing topic 7 online

At the end of this segment please complete quiz 7 on our website.

April 27th Assignment 2 is due!

Review of Material (April 27-May 4)

Practice Exam will be made available

Final exam

May 4, 2007 in class.

“Quick Glance” Calendar of Coursework
(refer to course outline for details)

	Feb	March	April	May
Readings	Chpt 1,3,4,5 MKMR	Chpt 6,7,11 MKMR Journal articles: 1. pp 118-137 & pp 61-91 in IQN 2. pp. 419-436 in <u>Economic Journal</u>	Chpt 14,15, 16 MKMR	
Assignments	#1 due 23 rd	#2 due 16 th #3 due 30 th	#4 due 13 th #5 due 6 th	
Quizzes	1,2,3	4,5	6,7	
Online Discussion	Topics 1,2,3	Topic 4,5	Topic 6, 7	
Exam			Practice exam available	Week of May 4th

Quick Contact Numbers:

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