



Introduction to Microeconomics

ECON-UA 9002 F01

Instruction Mode:

Blended

Brightspace course site

<https://brightspace.nyu.edu/d2l/home/159755>

Spring 2022

If you are enrolled in this course 100% remotely and are not a Study Away student for NYU Florence, please make sure that you've completed the online academic orientation via Brightspace so you are aware of site specific support structure, policies and procedures. Please contact florence.academicssupport@nyu.edu if you have trouble accessing the Brightspace site.

Syllabus last updated on: 26/01/2022

Lecturer Contact Information

TBA

Prerequisites

Pre-calculus or equivalent level of mathematical training.

Units earned

4

Course Details

- Meeting Days and Times: Tu 9:00AM-11:45AM
- All times are Central European Time (CET) Please note that there is a gap in when Daylight Savings Time (DST) begins in Europe and the U.S. In the U.S., DST begins on Sunday, 13 March 2022 when clocks will be set 1 hour forward. In Europe, DST begins Sunday, 27 March 2022.
- Location: Rooms will be posted in Albert before your first class.
- Remote Participants: Your instructor will provide you with the Zoom link via NYU Brightspace.
- COVID-related details: In the interest of protecting the NYU Florence community, we are closely following CDC guidance around COVID-19 and adjusting our



recommendations and policies accordingly. Your health and well-being is our top priority.

Course Description

This course provides a survey of microeconomic issues at introductory level. We will make use of theories and empirical examples to understand key aspects of the significant changes that take place in the world economies. We will explore a wide range of economic phenomena including firms' market power and costs structure, firms' investments and business strategies, the role of antitrust law and regulation. Every piece of theory is related to applications so as to offer a continuing sense of the relevance of theory to reality.

Course Objectives

On completion of this course, students should:

- Have improved their mastery of economic- and business-related concepts.
- Have performed graphical and quantitative treatment of the theories.
- Have made relevant connections between theory and real-world examples, through references to media material, readings, or case studies.
- Find an increased interest to read economic and business-related materials in the media.

Assessment Components

- Attendance and Participation: Weekly online quizzes posted in NYU Brightspace, discussions in class, in class activities. In an asynchronous format this academic engagement may take the form of written contributions to course forums, adding comments to posted work on VoiceThread or Google Drive shared docs. (10%)
- Written Assignments (Problem Sets/ Short Papers): Problem Sets will contain Essay type/graphical assessment questions based on book material or on current readings related to microeconomic issues. Short papers (max 2 pages) will focus on specific, relevant microeconomic topics (20%)
- Midterm Exam: Identification questions, true/false questions, multiple choice, essay questions, some calculations involved (30%)
- Final Exam: Identification questions, true/false questions, multiple choice, essay questions, some calculations involved (40%)

Failure to submit or fulfill any required course component results in failure of the class.

****NB: Commitment:** A student's commitment will be evaluated based on active participation, involvement and contribution in the course either remote or in-person.

Contributions include, but are not limited to: class assignments, tasks, discussion boards, office hours, labs, online chat, and/or the viewing of asynchronous course materials and completion of relevant work. If the student is participating remotely in the courses, it is imperative that they communicate regularly with their faculty members.



Assessment Expectations:

- **Grade A:** The student makes excellent use of empirical and theoretical material and offers structured arguments in their work. The student writes comprehensive essays/exam questions and their work shows strong evidence of critical thought and extensive reading.
- **Grade B:** The candidate shows a good understanding of the problem and has demonstrated the ability to formulate and execute a coherent research strategy
- **Grade C:** The work is acceptable and shows a basic grasp of the research problem. However, the work fails to organize findings coherently and is in need of improvement
- **Grade D:** The work passes because some relevant points are made. However, there may be a problem of poor definition, lack of critical awareness, poor research
- **Grade F:** The work shows that the research problem is not understood; there is little or no critical awareness and the research is clearly negligible

*Please note, Stern Business courses will adhere to the Stern Grading

Grading Guidelines

Required Grading Language for Core Courses

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have adopted a grading guideline for core courses with enrollments of more than 25 students in which approximately 35% of students will receive an “A” or “A-” grade. In core classes of less than 25 students, the instructor is at liberty to give whatever grades they think the students deserve, while maintaining rigorous academic standards.

Attendance Policy

In order to keep each other safe, if you are not feeling well, we encourage you to remain in your residence and, if possible, attend class remotely.

Please make sure to inform your professor in advance so that they can turn on Zoom. Remote attendance is counted as regular attendance. You will not be marked absent.

For a detailed explanation of the global attendance policy, see the NYU Florence [Present vs. Absent Flowchart](#).

Exams, tests and quizzes, deadlines, and oral presentations that are missed due to illness always require a doctor's note as documentation.

The Global Attendance Policy is posted in the Academic Policies tab in [Brightspace](#), on the [NYU Florence Student Portal](#) website, and is posted around campus.

After you have read and reviewed the policies, if there is anything that still needs further clarification or raises a question, please reach out to florence.academicssupport@nyu.edu.

Final exams

Final exams must be taken at their designated times. Should there be a conflict between your final exams, please bring this to the attention of the Academics team. Final exams may not be taken early, and students should not plan to leave the site before the end of the finals period.

**Late Submission of Work**

Please refer to Academic Policies in [Brightspace](#).

Required Text(s)

Principles of Microeconomics, S.A. Greenlaw, T. Taylor, Openstax, 2014

<https://openstax.org/details/books/principles-microeconomics>

All readings are available online on the NYU Brightspace course site. Hard copies of some textbooks are available for consultation and semester-long loans in the [Villa Ulivi Library](#). Please email florence.library@nyu.edu to reserve a copy. To request scans from books on reserve please fill out the [Ulivi Library Book Scan Form](#).

Additional Required Equipment:

A pocket calculator is required.

Smartphones, smartwatches and tablets are not allowed in class

Class Assignments and Topics:**Session 1 – Feb. 1 (ONLINE)**

Introduction to Economics : Economics is a broad-ranging discipline and many of the world's most pressing problems are economic in nature. This introduction to Economics is intended to give you some idea of the sort of issues that economic analysis helps to clarify and to show some of the tools that economists use, tools you are likely to find useful in your career, personal and role as an informed citizen (Baumol, W.J. and Blinder, A.S., 2006)
(Ch. 1, pp. 1-25)

Session 2- MAKE UP CLASS: Feb. 4 (Asynchronous)

Demand and Supply : All economic decisions are constrained by the scarcity of available resources; because of this, economic decisions always involve trade-offs. This class introduces the fundamental tool to deal with economic problems: the law of demand and supply.
(Ch.2-3: pp. 25-68; Quiz #1)

Session 3- Feb. 8 (ONLINE)

The Consumer Choice and Demand Analysis : This class introduces the first essential element using which economists analyze markets: you, the buyers (consumers).
(Ch.5-6: pp. 103-144; Quiz #2)

Session 4 – MAKE UP CLASS Feb. 11 (ONLINE)



Production and Costs and Supply Analysis : This class introduces the second essential element to analyze markets: the sellers (producers). As in a piece of machinery , all the parts of a market function together and simultaneously, so the heart of the story is in the way they fit together.

(Ch.7: pp. 155-177; Quiz #3)

Session 5- Feb. 14

Market Structures I Perfect Competition : To understand the different types of competition a firm can face, it is necessary to explain what we (and newspapers and television...) mean by the word market. Economists distinguish among different kinds of markets, perfect competition is the ideal one.

(Ch.8: pp. 177-203; Quiz #4)

Session 6- Feb 21

Market Structures II : Monopoly Perfect competition is far from being the typical market form in the U.S. economy. Indeed, it is quite rare. Most of the products you buy are no doubt supplied by entrepreneurs working in different kind of markets. We will describe the possibility that some industries may be monopolized, the consequences of such a flaw in the market system and the role of government in improving the workings of the market.

(Ch.9: pp. 203-223; Quiz #5)

Session 7- Feb. 28

Market Structures III: Between Competition and Monopoly Most productive activities in the U.S., as in any advanced country, falls somewhere between the two extreme market forms: perfect competition and monopoly. So, if we want to understand the workings of the market mechanism in a real, modern economy, we must look at hybrid market structures called monopolistic competition and oligopoly.

(Ch.10 pp. 224-243; Quiz #6)

Session 8 – Mar. 7

Review Session

Midterm Written Exam

March 14 - March 20: Spring Break

Session 9 –Mar. 22

Limiting the Market Power: Regulation and Antitrust To protect the interests of the public when industries are, or threaten to become, monopolistic or oligopolistic, governments use two basic tools. Antitrust laws seek to prevent acquisition of monopoly power. All firms are subject to the antitrust laws and some industries are also regulated by rules that constrain firms' pricing and other decisions.

(Ch.11: pp. 244-263; Quiz #7)

Session 10 – Mar. 29



Investing in Business: Stocks and Bonds. In this class we discuss how real firms finance their activities (notably with stocks and bonds or self-financing). Recent crisis of the banking system and the international financial markets stresses the importance of this topic for firms' and investors. In this class we will study how to succeed in investments and listen to the lesson by G. Santayana (philosopher) who once said: "Those who cannot remember the past are condemned to repeat it."

(Ch.17:pp. 375-403; Quiz #8)

Session 11 – Apr. 5

Labor: The Human Input. The market mechanism distributes income through its payments to the factors of productions: capital(monetary input) and labor (human input). Their prices determine the distribution of income and have important effects on people' lives.

(Ch. 14 pp. 305-333; Quiz #9)

Session 12 – Apr.12

Poverty, Inequality and Discrimination The study of factor pricing is an indirect way to learn about how the market distributes income among individuals. In this class, we will focus on the problem of income distribution, seeking answers for very important questions: How unequal are income in the U.S. and why? How can society decide rationally on how much equality it wants? And what policies are available to pursue this goal?

(Ch. 21: pp. 419-434, Quiz #10)

Session 13 –Apr. 19

Roots of competitiveness: Internationalization, Innovation and Growth. Globalization became a buzzword in the 1990s and economics has strongly debated on its vices and virtues. But one thing is clear: after the 1990s the world has become more integrated into a broader world economy. This phenomenon is mainly due to the increase in the speed of communication and new innovation that hit the markets. The effect is a huge change in the rules of trade.

(Ch. 19-20 pp. 417-460 ; Quiz #11)

Session 14: Apr. 26

Open the boundaries: Life Post-Brexit and Post- COVID in EU. What is European Union and how it reacts to shocks that changed firms' and people' lives.

Review Session

Session 15 – May 12

Final Exam

Your Lecturer

I live in Florence with my husband and our three daughters (Caterina and Costanza, 8 and Elena, 6). I am a Professor of Business Statistics at European University of Rome, I got a degree in Statistics (1998) and a Ph.D. in Economics (2004) and I have been teaching in NYU



Florence since 2005. My research interests are on business demography, panel models, and financial econometrics.

Recent Publications

- “A MEM-based Analysis of Volatility Spillovers in East Asian Financial Markets”, with R. F. Engle and G.M. Gallo, *The Review of Economics and Statistics*, MIT Press, vol. 94(1), pp. 222-223, (2012).
- The “China effect” on EU Exports to OECD markets – the case of Italy, with G. Giovannetti and M. Sanfilippo, in D. Marconi, I. Musu and B. Quintieri eds, *The Chinese Economy. Recent Trends and Policy Issues*. p. 163-180, BERLIN HEIDELBERG:Springer-Verlag, ISBN: 978-3-642-28637-7 (2012).
- “Location, Internationalization and Performance of Firms in Italy: a Multilevel Approach”, with G. Giovannetti and R. Ricchiuti, *Applied Economics*, vol. 45, p. 2665-2673, ISSN: 0003-6846, doi: 10.1080/00036846.2012.665597, (2012).
- “Heterogeneity in Managerial Strategies and Internationalization of Firms: the Case of Italy” with G. Giovannetti and G. Ricchiuti, *Economia e Politica Industriale*,(2013).
- “A spillover analysis of shocks from US, UK and China on African financial markets”, with G. Giovannetti, *Review of Development Finance*, 3(4), pp. 169-179, (2014)
- “Italian Service Firms' Labor Productivity: A Longitudinal Quantile Regression Analysis”, with A. Viviani e A. Zeli, *Statistica*, pp. 20-42, (2014)
- “Size & Technology: The Odd Couple for Affiliates Survival”, with G. Giovannetti and G. Ricchiuti, *Structural Change and Economic Dynamics*, Volume 40, , pp. 64-71 , (October 2017)
- “Italy and Germany as diverse twins: the impact of China on their manufacturing exports”, with G. Giovannetti and M. Sanfilippo, 50(28), pp.3051-3065, (February 2018)
- “Firms' Survival and Gender Wage Gap: The Case of Textile Sector in EU”, with G. Giovannetti, under review in *SN Business & Economics*
- “A network analysis of the migration-Investment nexus”, with G. Giovannetti and F. Santi, WP Economics Series, Università di Firenze
- “A Synthetic Index on the COVID19 Impact on Italian Regions”, with G. Giovannetti and F. Santi, WP21/2020 WP Economics Series, Università di Firenze
- “Non-Working Workers in Italy and Spain”, with G. Giovannetti, F. Santi and A. Villar, WP Economics Series, Università di Firenze

Academic Honesty & Plagiarism

As the University's policy on "[Academic Integrity for Students at NYU](#)" states: "At NYU, a commitment to excellence, fairness, honesty, and respect within and outside the classroom is essential to maintaining the integrity of our community. By accepting membership in this community, students take responsibility for demonstrating these values in their own conduct and for recognizing and supporting these values in others." Students at Global Academic Centers must follow the University and school policies.

NYU takes plagiarism very seriously; penalties follow and may exceed those set out by your home school. Your lecturer may ask you to sign a declaration of authorship form, and may check your assignments by using TurnItIn or another software designed to detect offences against academic integrity.



The presentation of another person's words, ideas, judgment, images, or data as though they were your own, whether intentionally or unintentionally, constitutes an act of plagiarism. It is also an offense to submit work for assignments from two different courses that is substantially the same (be it oral presentations or written work). If there is an overlap of the subject of your assignment with one that you produced for another course (either in the current or any previous semester), you **MUST** inform your professor.

For guidelines on academic honesty, clarification of the definition of plagiarism, examples of procedures and sanctions, and resources to support proper citation, please see:

[NYU Academic Integrity Policies and Guidelines](#)

[NYU Library Guides](#)

Inclusivity Policies and Priorities

NYU's Office of Global Programs and NYU's global sites are committed to equity, diversity, and inclusion. In order to nurture a more inclusive global university, NYU affirms the value of sharing differing perspectives and encourages open dialogue through a variety of pedagogical approaches. Our goal is to make all students feel included and welcome in all aspects of academic life, including our syllabi, classrooms, and educational activities/spaces.

Attendance Rules on Religious Holidays

Members of any religious group may, without penalty, excuse themselves from classes when required in compliance with their religious obligations. Students who anticipate being absent due to religious observance should notify their lecturer and Office of Academic Support in writing via e-mail one week in advance. If examinations or assignment deadlines are scheduled on the day the student will be absent, the Academics Office will schedule a make-up examination or extend the deadline for assignments. Please note that an absence is only excused for the holiday but not for any days of travel that may come before and/or after the holiday. See also [University Calendar Policy on Religious Holidays](#)

Pronouns and Name Pronunciation (Albert and Zoom)

Students, staff, and faculty have the opportunity to add their pronouns, as well as the pronunciation of their names, into Albert. Students can have this information displayed to faculty, advisors, and administrators in Albert, NYU Brightspace, the NYU Home internal directory, as well as other NYU systems. Students can also opt out of having their pronouns viewed by their instructors, in case they feel more comfortable sharing their pronouns outside of the classroom. For more information on how to change this information for your Albert account, please see the [Pronouns and Name Pronunciation website](#).

Students, staff, and faculty are also encouraged, though not required, to list their pronouns, and update their names in the name display for Zoom. For more information on how to make this change, please see the [Personalizing Zoom Display Names website](#).

Moses Accommodations Statement

Academic accommodations are available for students with documented and registered disabilities. Please contact the Moses Center for Student Accessibility (+1 212-998-4980 or



mosescsd@nyu.edu) for further information. Students who are requesting academic accommodations are advised to reach out to the Moses Center as early as possible in the semester for assistance. Accommodations for this course are managed through NYU Florence.

Bias Response

The New York University Bias Response Line provides a mechanism through which members of our community can share or report experiences and concerns of bias, discrimination, or harassing behavior that may occur within our community.

Experienced administrators in the Office of Equal Opportunity (OEO) receive and assess reports, and then help facilitate responses, which may include referral to another University school or unit, or investigation if warranted according to the University's existing Non-Discrimination and Anti-Harassment Policy.

The Bias Response Line is designed to enable the University to provide an open forum that helps to ensure that our community is equitable and inclusive.

To report an incident, you may do so in one of three ways:

- Online using the [Web Form \(link\)](#)
- Email: bias.response@nyu.edu
- Phone: 212-998-2277
- Local Telephone: 055 5007277