

Ave Maria University
Fall 2025

Dr. Gabriel Martinez

Email: gmartinez@avemaria.edu

Prince 111
Office hours on MS Teams by appointment
(239) 280-1611

ECON 202 Principles of Microeconomics Section 1
avemaria.instructure.com

MWF

9:00 AM - 10:05 AM

Academic 1011

Course Description:

The course will study how, within a market system, individuals and firms use factors of production to satisfy economic needs, emphasizing that the economy is a means and not an end. The course will study the behavior of individuals and firms and market coordination and adjustment by focusing on consumer demand, theories of production and cost, pricing and output under competitive and non-competitive conditions, and factor usage and pricing. The basics of general equilibrium analysis, international trade, the economics of government, natural resource economics, and policies to increase efficiency and diminish inequality and poverty may also be included. Prerequisite: MATH 110 with a minimum grade of C-. (4 credits)

For anyone who wants to understand the world, or to make a difference in it, there are probably few sciences more helpful than economics. Rarely can you open a newspaper and find an event that is not, somehow, related to economics. There are economic forces behind wars and peace treaties, democratic elections and revolutions, street protests and corporate bankruptcies. There are economic factors behind decisions on culture and the environment, on marriage and family, on leisure and work. Your choice of education and your future career are, in some way, influenced by economics.

Economics is the science that studies scarcity. It studies how societies satisfy human wants –which seem to be unlimited– with limited resources. It is the branch of human knowledge that deals with the problem of material provisioning –the production, consumption, and distribution of material goods and services.

Microeconomics is the study of how consumers and firms relate to each other. We study how consumers, firms, and other economic agents behave -- and how they should behave, if they want to achieve certain goals. In this course students will learn the assumptions economists make about consumers and firms, as well as the consequences of these assumptions. They will learn how prices are determined by the intersection of supply and demand curves, the effects of government policy on society. Students will also be introduced to game theory, the study of strategic interaction.

Like most everything else that you study in school, theory in economics is an abstraction, or simplification, of innumerable complex relationships in the real world. When thinking about some aspects of behavior, economists will build a model –derived from economic theory– that attempts to explain the behavior under examination. Economists draw hypotheses from the model, check them against real-world data, and refine the model.

Economics is not a closed science. Our ideas about human behavior are drawn from the social sciences and from philosophy. We use mathematics extensively to express ourselves precisely. We test our hypothesis against real-world data with the help of statistics. Economic concepts and methods are often applied in fields as diverse as political science and ecology.

Economics is interesting in its own right, because with it we understand human behavior and societies better. And it is also interesting because of its implications for policy, at the level of government, business, and family.

Course Objectives

Students who graduate with an Economics Major at AMU will be capable of thinking and writing like economists, of making sound, well-integrated, and well-informed arguments about the national and global economy. Students will

- *Understand the institutions, facts, and events of the economy*
- *Command the main theories, terminology and arguments of the economic profession.*
- *Integrate Catholic social teaching and social philosophy into economic argumentation.*
- *Be able to use economic theory and methods to explain and predict economic events and facts.*
- *Know how to carry out academic research and how to make an effective argument*

In this course you will learn the main theories, terminology, and arguments in the economics profession, particularly those related to consumers, firms, and their interaction in markets. You will see that not everything that Economics teaches is correct, or sensible, or consistent with Catholic moral and social teaching: these conflicts will be pointed out as they arise. This course teaches students how to use economic theory and methods to explain economic events and facts, frequently illustrating the power of economics to explain questions about ourselves and the world around us. Lastly, students will learn how to use the tools of economics so they will be able to carry out academic research and make effective arguments.

My hope is that this class will introduce you to *thinking* like an economist, that is, to use the tools and skills of the economist (such as equilibrium analysis, statistical evidence, and modeling) in a natural, habitual way.

Readings

Open educational resources provided by the professor.
The Wall Street Journal

Grading Scale

Letter Grade	Percentage	Grade Points	Description
A	93-100	4.0	Excellent
A-	90-92	3.7	
B+	87-89	3.3	
B	83-86	3.0	Good
B-	80-82	2.7	
C+	77-79	2.3	
C	73-76	2.0	Pass
C-	70-72	1.7	
D+	67-69	1.3	
D	63-66	1.0	Low Pass
D-	60-62	0.7	
F	59 and below	0	Failure
P	Pass	(Not used in GPA computation)	
AU	Audit	(Not used in GPA computation)	

Grading	<p>Whoever does the work does the learning. If you want to learn (and I assume you do), you need to prepare yourself, pay attention, check your progress, and apply your knowledge.</p> <p>This course is full of strategies to help you learn, <i>really learn</i>. My job is to make sure that you learn something valuable and that it sticks in your memory.</p> <table> <tr> <td>Learning Checks</td><td>30%</td></tr> <tr> <td>Corporate Economic Analysis</td><td>20%</td></tr> <tr> <td>Three Quizzes</td><td>20%</td></tr> <tr> <td>Practice Tests and Quizzes</td><td>2% extra credit</td></tr> <tr> <td>Video Lectures</td><td>3% extra credit</td></tr> <tr> <td>Three Tests</td><td>30%</td></tr> </table>	Learning Checks	30%	Corporate Economic Analysis	20%	Three Quizzes	20%	Practice Tests and Quizzes	2% extra credit	Video Lectures	3% extra credit	Three Tests	30%
Learning Checks	30%												
Corporate Economic Analysis	20%												
Three Quizzes	20%												
Practice Tests and Quizzes	2% extra credit												
Video Lectures	3% extra credit												
Three Tests	30%												
Attendance Policy	Attendance contributes (in a small way) to the “practice quizzes” portion of the grade. Although it’s impact on your grade is small, you are expected to attend class, avoiding the distractions of technology (phones, computers, etc.).												
Videos and Reading	I have put together (free) documents and videos for you to learn from -- you'll find them in the modules. You'll get extra credit from scoring well in the in-video quizzes.												
Learning Checks	Short questions and problems, with multiple attempts.												
Corporate Economic Analysis	<p>Apply what you have learned to a company: explain a company's behavior, explore its competitive challenges, etc.</p> <p>If you turn this in a day in advance, you'll get a 10-point bonus. If you turn it in 2 days in advance, you'll get a 15-point bonus.</p> <p>Videos, Learning Checks, and Corporate Economic Analysis papers can be turned in late until the last day of the term. However, there will be a small (4% per day) late penalty for late submission.</p>												
Practice Exams, Quizzes and Tests	<p>The tests and quizzes will include definitions, short-answer questions, and problems. You will get practice quizzes and tests.</p> <p>If you are not able to take a quiz or test at the assigned time, I can allow you to take it <u>early</u>. You will only be allowed to take it late for unforeseeable reasons (typically medical reasons), which must be documented. Failing to submit a quiz or test by the deadline earns no points.</p>												
Email	<p>You will get lots of emails from me.</p> <ul style="list-style-type: none"> • I will send you emails to your my.avemaria.edu email account. • Check that you are able to receive emails, and keep checking. 												
Canvas	<p>https://avemaria.instructure.com</p> <p>We will use Canvas for</p> <ul style="list-style-type: none"> • The syllabus • Homework • Quizzes and Tests • Links to YouTube Lectures 												

- Lecture Notes and supplementary handouts
- Information on each assignment
- Study guides
- Setting out the schedule and announcing changes to the schedule.
- Pointing you to interesting resources.
- Collecting the papers
- Setting up online discussions on the readings.

If you can't access this course's Canvas page, please contact me. It is your responsibility to check the Canvas page constantly, as updates will be made on a regular basis.

Final Advice

Do your work honestly. The point of the class is to learn, not to add up points for a grade. Do not kid yourself that you learn anything by copying the work of others. Plus, as Prof. Robert George said to a class of distinctly uncomfortable Princeton students, God will see you doing evil. You are here to learn to be a better person. And you will be held by the University's Honor Code.

Form study groups. Come to my office hours or make appointments to meet with me. I have found that regular out-of-class meetings with the professor make a significant difference in student's performance in a class. I strongly encourage you to meet me, especially in groups of two or three.

Disabilities

Any student who needs an accommodation based on the impact of a documented disability should contact me privately to discuss specific needs. Please also contact the AMU Adaptive Services Office (239-280-1654 or adaptiveservices@avemaria.edu) to coordinate reasonable accommodations. Students are expected to provide notification of accommodation requests within the first two weeks of the semester.

Ave Maria University Academic Honor Code

Students at Ave Maria University agree to abide by the University's Academic Honor Code, which is located in the Academic Catalogue. The Honor Code states:

"As a student at Ave Maria University, created in the image and likeness of God, I am called to pursue virtue and excellence. I pledge, on my honor, to live up to this calling by working honestly and to use technology with integrity. I also pledge to help others pursue excellence through honest and upright means."

Possible violations include but are not limited to:

- the use of ChatGPT, Grammarly, QuillBot, or any other form of generative AI without the express permission of your instructor
- cheating on an examination
- academic plagiarism, which is the act of passing off as one's own the ideas or writings of another
- sharing one's assignment or exam without the expressed permission of the instructor
- the unauthorized use of an examination or assignment
- submitting work for multiple purposes without the prior and explicit approval of all faculty members to whom the work is submitted

Evidence of potential violations will be forwarded to the AMU Honor Council. Significant and purposeful violations may result in immediate course failure, athletic ineligibility, and the loss of student-worker privileges. Severe or repeat violations of the Honor Code will result in immediate dismissal from the University.

**ChatGPT in
this class**

Generative AI can be a very useful assistant. But it's often wrong in surprising ways. This means that you, the user, really need to know what the AI is doing before you entrust it with your grade. Moreover, the point of the class is for *you* to learn, not for someone (or something) else to have learned on your behalf. I expect you to

- come up with your own idea,
- do your own analysis and writing,
- if you get anything from a generative AI tool, paraphrase it and critically reflect on its accuracy,
- and cite your sources, including any generative AI tool.

"If I suspect that you have used [an AI tool], and you have not included the required citation and [your own personal work and] reflection, then you will need to meet with me [in person] to talk about the assignment. This conversation will include knowledge checks."¹ If it seems, from our conversation, that you are not really the author of your submission, I will forward the evidence to the Honor Council.

¹ <https://lile.duke.edu/ai-and-teaching-at-duke-2/artificial-intelligence-policies-in-syllabi-guidelines-and-considerations/>

Schedule of Classes, Readings, and Assignments

This schedule is not meant to be fixed forever. We will adjust it if we need to.

	Date		
Aug	22 Fri		1 Thinking Like an Economist
	25 Mon		2 Comparative Advantage
	27 Wed		
	29 Fri		
Sep	1 Mon	Quiz	
	3 Wed		3 Supply and Demand
	5 Fri		
	8 Mon		
	10 Wed		4 Elasticity
	12 Fri		
	15 Mon		
	17 Wed		
	19 Fri	Exam @ start	5 Demand
	22 Mon		
Oct	24 Wed		
	26 Fri		6 Perfectly Competitive Supply
	29 Mon		
	1 Wed		
	3 Fri	Quiz @ end	
	6 Mon		7 Efficiency, Exchange, and the Invisible Hand in Action
	8 Wed		
	10 Fri	Fall Break	
	13 Mon		
	15 Wed		
	17 Fri		8 Monopoly, Oligopoly, and Monopolistic Competition
	20 Mon		
	22 Wed		
	24 Fri		
	27 Mon		
Nov	29 Wed	Exam @ start	
	31 Fri		9 Games and Strategic Behavior
	3 Mon		
	5 Wed		
	7 Fri		
	10 Mon		10 Externalities and Property Rights
	12 Wed		
	14 Fri	Quiz @ end	
	17 Mon		11 The Economics of Information
	19 Wed		
Dec	21 Fri		
	24 Mon	Thanksgiving Break	
	26 Wed	Thanksgiving Break	
	28 Fri	Thanksgiving Break	12 Labor Markets, Poverty, and Income Distribution
	1 Mon		
	3 Wed		
	5 Fri		
	10 Wed	Final Exam 8:50 am	

"A" students versus "D" students

The following information is designed to explain what behaviors are likely to earn you an A versus a D. Treat the nine dimensions as guidelines for earning these grades rather than rigid conditions for or guarantees of success.

In a given class, for example, an "A student" can earn a D if he doesn't try hard ... while a stereotypical "D student" who really puts his heart into the class can earn an A. On the other hand, an A student may earn an A without satisfying the characteristics of an A student on all nine dimensions. It is very difficult for anyone, no matter how exceptional, to consistently exhibit every quality associated with that of an A student.

"A" or Outstanding Students	"D" or Mediocre Students
1. Ability (Talent)	
...have special aptitude, motivation, or a combination of both. This talent may include either or both creativity and organizational skills.	...vary greatly in aptitude. Some are quite talented but their success is limited by a lack of organizational skills or motivation. Others are motivated but lack special aptitude.
2. Attendance (Commitment)	
...never miss class. Their commitment to the class resembles that of their professor. Attending class is their highest priority.	...periodically miss class and/or are often late. They either place other priorities (such as a job) ahead of class or have illness/family problems that limit their success.
3. Attitude (Dedication)	
...show initiative. Their desire to excel makes them do more work than is required.	...seldom show initiative. They never do more than required and often do less.
4. Communication Skills	
...write well and speak confidently and clearly. Their communication work is well-organized, covers all relevant points, and is easy to listen to/read.	...do not write or speak particularly well. Their thought processes lack organization and clarity. The professor may need a second reading to comprehend the meaning of their written work.
5. Curiosity	
...are visibly interested during class and display interest in the subject matter through their questions.	...participate in class without enthusiasm, with indifference, or even boredom. They show little, if any, interest in the subject matter.

Note: Performance is a joint function of a student's native ability and motivation. Punctuality, attendance, attitude, curiosity, effort or time commitment, and preparation all indicate motivation.

"A" or Outstanding Students	"D" or Mediocre Students
6. Performance	
...obtain the highest scores in the class. They exhibit test-taking skills such as an ability to budget their time and to deal with test anxiety. They often volunteer thoughtful comments and ask interesting questions.	...obtain mediocre or inconsistent scores. They often do not budget their time well on exams and may not deal well with test anxiety. They rarely say much during class discussion and their answers indicate a cursory understanding rather than mastery of material.
7. Preparation	
...are always prepared for class. They always respond when called on. Their attention to detail sometimes results in catching text or teacher errors.	...are not always prepared for class. They may not have fully completed the assignment, have completed it in a careless manner, or hand in their assignments late.
8. Retention	
...learn concepts rather than memorize details so they are better able to connect past learning with present material. They recall most of the material years after the exam.	...memorize details rather than learn concepts. Since they usually cram for tests, they perform relatively better on short quizzes than on more comprehensive tests such as the final exam. They forget everything after the exam.
9. Time Commitment (Effort)	
...maintain a fixed study schedule. They regularly prepare for each class no matter what the assignment. They average 3-4 hours of study for every hour in class.	...study only under pressure. When no assignment is due, they do not review or study ahead. They average not more than 2 hours of study for every hour in class. They tend to cram for exams.

Adapted from Solomon, P. and Nellen, A. (February 1996). The Teaching Professor, pp. 3-4.

Your workweek. How do you plan to use your time?

	Monday	Tuesday	Wednesday	Thursday	Friday
8:00 AM					
9:00 AM					
10:00 AM					
11:00 AM					
12:00 PM					
1:00 PM					
2:00 PM					
3:00 PM					
4:00 PM					
5:00 PM					