

# SYLLABUS

## Economics 202, Section 5550 --- Principles of Microeconomics Class Number 72391     Fall 2010

**Instructor**-----**Dr. Taylor Cox (Phone: 362-0487)**  
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**Class Time**-----**We, 5:30 p.m. to 8:30 p.m.**

**Location**-----**Gowen Field, Bldg #578 Room 407B**

**Office Hours**-----**To be discussed the first day of class**

**Required Text**----- **Miller. 2010. Economics Today, The Micro View. 15th Edition.**  
**Pearson Higher Education.**

**COURSE DESCRIPTION** --- Microeconomics: “The study of decision-making undertaken by individuals (or households) and by firms.” (Miller, Economics Today, The Micro View, 15<sup>th</sup> Edition). In this course, Principles of Microeconomics, we will study the decisions that individuals and firms make under the condition of scarcity, where wants are greater than the limited resources available to supply them. You will learn the fundamental theoretical tools and concepts of economics, and how to apply them to make rational economic decisions. You will learn how to critically analyze economic behavior and policies, both in general and in your chosen occupation. You will also learn how markets allocate resources to produce goods and services, how markets fail, and the effects of government intervention. In short, it is hoped that you will learn to "think like an economist" in your everyday activities.

**COURSE REQUIREMENTS** -- Your total grade will be based upon the following:

Homework	25%
Chapter quizzes	15%
1 <sup>st</sup> Midterm exam	20%
2 <sup>nd</sup> Midterm Exam	20%
Final Exam	20%

- Homework may be completed with 1-2 other students, if desired. Under certain circumstances, **and** with the approval of the instructor, homework may be handed in late without penalty. Homework handed in late without prior approval, or beyond the approved extension will be subject to a grade reduction, and may not be accepted beyond two weeks.
- A major building block to the understanding of Economics (or any other field) is the mastery of the terminology. Short quizzes will cover definitions of the terminology discussed in each chapter. There are a total of six quizzes, and each quiz will cover 3-4 chapters at a time. Two of the quizzes may be dropped.
- Exams will consist of multiple choice questions, and will be available online in Blackboard. Beware--these have proven to be more difficult than you might think. Those who have done well on them have studied the assigned chapters, especially the terminology and the exhibits in each chapter.
- Students will be graded as follows: 94-100% = A, 90-93% = A-, 87-89% = B+, 83-86% = B, 80-83% = B-, 77-79% = C+, 73-76% = C, 70-73% = C-, 67-69% = D+, 63-66% = D, 60-63% = D-, Below 60% = F.  
NOTE: In borderline cases, attendance and active class participation may boost your grade up to a higher level.

## **LEARNING OUTCOMES FOR PRINCIPLES OF MICROECONOMICS**

### **General Learning Goals**

- **Specific Economics Knowledge.** The student should gain sufficient knowledge of microeconomics vocabulary, relevant U.S. and international economic institutions, and U.S. and international economic conditions to understand discussion of economic topics in the mass media.
- **The Nature and Role of Theory.** The student should understand the relationship between data and a theory, which seeks to organize and explain the data. The student should understand the role theory plays in making wise public and personal decisions.
- **The Nature of Society and Social Outcomes.** The student should understand that economic relationships play a significant role in shaping our society in terms of its standard of living, its values, and its level of inequality.
- **Actions have Consequences.** The student should understand that public and private actions could have both intended and unintended consequences, and that such consequences are often predictable.
- **Moral and Ethical Dimension.** The student should be able to identify the moral and ethical issues, which arise in evaluating markets and public policies, which relate to markets. The student should be able to use alternative ethical approaches in evaluating economic outcomes and policies.

### **Specific Learning Goals**

- **Overall Goal.** A student who has completed the economics principle sequence should be able to think critically and be able to apply economic reasoning in making personal and business decisions and in analyzing public policies. A student should be able to identify and discuss major economic issues facing the U.S. and the world.
- **Opportunity Cost.** The student should be able to identify the real costs associated with the resource allocation choices we make and explain how such costs affect the choices made by individuals, organizations, and governments.
- **Marginalism and Benefit/Cost Analysis.** The student should be able to use the cost/benefit framework to make decisions, especially at the margin.
- **Ethical Issues in Microeconomics.** The student should be able to identify the ethical issues that arise when evaluating market outcomes and public policies relating to markets.
- **Skill in Using Diagrams to Express Relationships.** The student should be able to use supply and demand diagrams, cost and revenue curves, time series graphs, and other diagrams to express economic relationships and to predict the consequences of changes in relevant variables.
- **Scarcity.** The student will be able to state the implications of the fact that the resources, from which the goods and services we want are produced, are limited. Among these implications is the fact that individuals and societies are forced to make choices.
- **Self Interest as the Driving Force.** The student should understand the important role of self-interest as a force, which directs resources to their highest and best use. This self-interest can be manifested as the individual attempts to maximize utility and as businesses maximize profit.
- **Benefits from Voluntary Exchange.** The student should understand that both parties benefit from an exchange, which was voluntarily entered into, and that this principle applies to countries as well as to individuals. The student should be able to predict the effects of trade restrictions on the overall living standards of the potential participants.
- **Markets and Prices.** The student should understand and be able to explain how markets facilitate exchange and trade by establishing prices, which serve as signals to buyers and sellers of resources and goods and services. The student should be able to predict the consequences of price changes on resource allocation and consumer and business behavior. The student should be able to explain the causes of market failures.
- **Supply and Demand.** The student should understand that supply and demand curves are merely simplified depictions of the behavior of the market participants. The student should be able to use supply and demand curves to explain how markets answer the basic questions of "what to produce", "how to produce", and "who gets what is produced". The student should understand and be able to use the concept of elasticity of demand and supply.

<b>LECTURE AND ASSIGNMENT SCHEDULE</b>		BSU--ECON 202--Section 5550--Fall 2010 We 5:30-8:30 pm Gowen Rm 407B			
<b>Date</b>	<b>Topic</b>	<b>Supplemental Material (Course Documents-BB)*</b>	<b>Date</b>	<b>Quizzes (4 out of 6)</b>	<b>Assignments Due</b>
<b>08/25/10</b>	Introduction, Ch. 1 The Nature of Economics		<b>08/23/10</b>		
	Ch. 2 Scarcity and the World of Tradeoffs		<b>08/25/10</b>		
<b>09/01/10</b>	Ch. 3 Demand and Supply		<b>08/30/10</b>		
<b>09/08/10</b>	Ch. 4 Extensions of Demand and Supply Analysis		<b>09/08/10</b>		
	Ch. 5 Public Spending and Public Choice		<b>09/13/10</b>	#1: Ch. 1-4	
<b>09/15/10</b>	Ch. 6 Funding the Public Sector		<b>09/15/10</b>		
<b>09/22/10</b>	Ch. 20 Demand and Supply Elasticity	Elasticity formulas	<b>09/20/10</b>		
<b>09/29/10</b>	Ch. 21 Consumer Choice		<b>09/27/10</b>	#2: Ch. 5-6, 20-21	
	<b>1ST MIDTERM EXAM: Ch. 1-6, 20, Blackboard--Sep 29-Oct 3</b>				Homework Set #1
<b>10/06/10</b>	Ch. 22 Rents, Profits, and the Financial Environment of Business		<b>10/04/10</b>		
<b>10/13/10</b>	Ch. 23 The Firm: Cost and Output Determination		<b>10/11/10</b>		
<b>10/20/10</b>	Ch. 24 Perfect Competition	Market structures	<b>10/18/10</b>		
<b>10/27/10</b>	Ch. 25 Monopoly		<b>10/25/10</b>	#3: Ch. 22-24	
<b>11/03/10</b>	Ch. 26 Monopolistic Competition		<b>11/01/10</b>		
	Ch. 27 Oligopoly and Strategic Behavior		<b>11/03/10</b>	#4: Ch. 25-27	
	<b>2nd MIDTERM EXAM: Ch. 22-27, Blackboard--Nov 3-7</b>				Homework Set #2
<b>11/10/10</b>	Ch. 28 Regulation and Antitrust Policy in a Globalized Economy		<b>11/08/10</b>		
	Ch. 29 The Labor Market: Demand, Supply, and Outsourcing		<b>11/10/10</b>		
<b>11/17/10</b>	Ch. 30 Unions and Labor Market Monopoly Power		<b>11/17/10</b>		
<b>12/01/10</b>	Ch. 31 Income, Poverty, and Health Care	Supplemental links file	<b>12/01/10</b>	#5: Ch. 28-30	
<b>12/08/10</b>	Ch. 32 Environmental Economics		<b>12/06/10</b>		
	Ch. 33 Comparative Advantage and the Open Economy		<b>12/08/10</b>		
<b>12/15/10</b>	<b>Bonus Points and Wrap-up (5:30 pm -7:30 pm)</b>		<b>12/13/10</b>	#6: Ch. 31-33	Homework Set #3
	<b>FINAL EXAM: Ch. 28-33, Blackboard--Dec 10-16</b>				
		<b>* In the Supplemental Links file, there may be references to material covering several topics, as well as those for the specific topics listed above</b>			