

Course **ECON 2020 Principles of Microeconomics**

Term Fall, 2008

Instructor Name: Christian Newman, MSe
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Catalog Description Studies institutions and process of market specialization and exchange, pricing and output, competition and monopoly, government regulation, current economic problems, and international economic developments.

Prerequisites None

Learning Outcomes

Outcome

Expectation

1. Students learn about introductory economics terms and concepts.
2. Students learn about the production possibilities frontier.
3. Students learn how supply and demand works together to determine prices and output.
4. Students learn the basics of production and cost theory.

Students will learn about such things as scarcity, marginal analysis, opportunity cost, the difference between macroeconomics and microeconomics, and the ceteris paribus assumption.

Students will learn what a production possibilities frontier is, and how it can be useful in understanding economic trade-offs, as well as keys to economic growth.

Students will learn the difference between supply and demand, factors that influence both supply and demand, and how the two work together to determine market prices and quantities observed.

Students will learn how market forces may be prevented from working perfectly due to price controls, externalities, or the presence of public goods.

Students will also learn how to apply their knowledge of supply and demand of products to the supply and demand for labor.

Students will learn production theory and be introduced to concepts such as total, average, and marginal product, as well as the law of diminishing returns and returns to scale.

Students will learn cost theory and be

introduced to concepts such as total, average, and marginal cost, as well as short run versus long run costs, and economies of scale.

Students will also learn how production and cost are interrelated.

5. Students learn about profit maximization under different economic environments.

Students will learn the golden rule of profit maximization, as well as the various characteristics that identify the 4 major market structures: perfect competition, monopoly, monopolistic competition, and oligopoly.

Students will learn how pricing, production levels, and profits differ across these various economic environments.

Students will also learn how the concept of elasticity can impact a firm's profit maximizing decision-making with respect to pricing.

Textbook and other Materials

Textbook:

Irvin B. Tucker, *Economics for Today*, 4th edition, (South-Western College Publishing, 2005)

Supplementary Readings: taken mainly from:

various articles covering current topics to be handed out in class (The Economist, Wall Street Journal, Business Week)

Grading

	%
Term Paper	20%
Class Participation	10%
2 Quizzes	15%
Mid-term Exam	25%
Final Exam	30%

Grades (%):

A: 93-100, A-: 90-92

B+: 87-89; B: 83-86; B- 80-82

C+: 77-79; C: 73-76; C-: 70-72

D+: 67-69; D: 60-67

F: <60

The UNDERGRADUATE catalog provides these guidelines and grading options:

A, A- superior work in the opinion of the instructor

B+, B, B- good work in the opinion of the instructor

C+, C, C- satisfactory work in the opinion of the instructor

D+, D passing, but less than satisfactory work in the opinion of the instructor

I incomplete work in the opinion of the instructor

F unsatisfactory work in the opinion of the instructor; no credit is granted

W withdrawn from the course

IP course in progress

Activities

- Students are expected to come prepared for each class. For this they are required to have read the relevant chapter in the textbook & supplementary readings assigned for that day.
- Class participation is required and will be reflected in the grade.
- One term paper (5-7 pages, double spaced) covering a current macroeconomic issue. **Late term papers will suffer -10% (that's one grade).** The topic for the paper may be submitted for feedback in form of a short written summary by the fourth week of the term. Late summaries will not be accepted.
- A total of 2 quizzes
- One mid-term exam – multiply choice and short answers
- One comprehensive final exam – multiply choice and short answers

University Policies

Cheating

Any student found cheating on any part of the course work (homework assignment, term paper, quiz, exam, etc.) will automatically be given an "F" for the course. Any student found to be helping another student to cheat will likewise be given an "F" for the course. In each case, the student will also be put on disciplinary probation for the remainder of her or his stay at Webster. If the student is found to have engaged in cheating a second time, s/he will be automatically expelled from the University.

Attendance

Class attendance is obligatory. Instructors will take attendance at each class session and reduce a student's course grade by one-third of a letter grade for each full week of class missed. Any student who misses four or more full weeks of class will automatically be given an "F" for the course.

Course Policies

1. Cheating on an exam includes (amongst other tricks of the trade):
 - ☠ Copying from your neighbor
 - ☠ Showing your neighbor your exam
 - ☠ Bringing in Cheat-Sheets (especially my handouts!!!)
 - ☠ Programming answers into your Palmtops, Mobiles!!!!!!!!!!!!!!!!!!!!!!
 - ☠ Talking (yes, even that)
2. Cheating also includes:
Plagiarism (presentation of ideas and expressions of others as if they were your own) in your term paper. Whenever using ideas or expressions borrowed from some source, whether quoting directly or paraphrasing, acknowledge the source with an appropriate footnote or endnote.
3. Due to the fact that even cheating has become high-tech – the use of Handys, palm pilots and programmable calculators will NOT be permitted during an exam. Bring a basic calculator or use one of mine.

Anyone caught cheating will receive a zero on that assignment. Other actions (depending on the severity of the offense) can be taken, see the Student Handbook for grim details.

4. Other ways to mess up your Econ Grade (i.e., GPA) which some suicidal people tend to favor:
 - ☠ Handing in assignments late
 - ☠ Not showing up for exams
 - ☠ Being frequently absent (attendance is one letter grade, i.e., 10%)
 - ☠ Being frequently late to class.
 - ☠ If you have a good reason for not showing up call me and let me know (use my mailbox if I'm not there) – before the class period. Bring in a doctors excuse where applicable.
5. Finally, in the rare cases that you miss an assignment (Final Exam or Term Paper) and have a legitimate excuse (an excuse which I have accepted), it is YOUR responsibility to see to it that all missing assignments are turned in to me by the time we agreed upon. Incompletes will remain for ONE TERM on your records only unless otherwise agreed upon. If you fail to turn in assignments by then, you will receive a 0 or them and I will calculate your grade based on that.

Weekly Schedule

Week 1:

Session 1 (Introduction to Economics):

- Introducing the Economic Way of Thinking (Ch 1: incl. App.)

Session 2 (Introduction to Economics):

- Introducing the Economic Way of Thinking (Ch 1: incl. App.)
- Production Possibilities and Opportunity Cost (Ch 2)

Week 2

Session 3 (Introduction to Economics):

- Cont.: Production Possibilities and Opportunity Cost (Ch 2 cont.)
- Market Demand and Supply – Theory and Application (Ch 3)

Session 4 (Introduction to Economics):

- Market Demand and Supply – Theory and Application (Ch 3 cont.)

Week 3

Session 5 (Introduction to Economics):

- Markets in Action - Supply and Demand continued (Ch 4)

Session 6 (Introduction to Economics):

- Markets in Action - Supply and Demand continued (Ch 4 cont.)

Week 4

Session 7 (Microeconomic Fundamentals):

- Price Elasticity of Demand and Supply & Price Theory (Ch 5)

Session 8 (Microeconomic Fundamentals):

- Price Elasticity of Demand and Supply & Price Theory (Ch 5 cont.)

Week 5

Session 9 (Microeconomic Fundamentals):

- Consumer Choice Theory (Ch 6)
- Quiz I

Session 10 (Microeconomic Fundamentals):

- Consumer Choice Theory (Ch 6 cont.)

Week 6

Session 11 (Microeconomic Fundamentals):

- Production Costs (Ch 7)

Session 12 (Microeconomic Fundamentals):

- Production Costs (Ch 7 cont.)
- Perfect Competition (Ch 8)

Week 7

Session 13 (Market Structures):

- Perfect Competition (Ch 8 cont.)

Session 14 (Market Structures):

- Perfect Competition (**Ch 8 cont.**)

Week 8

Session 15 (Market Structures):

- Review

Session 16

- Midterm Exam

Week 1 FII

Session 17 (Market Structures):

- Monopoly (**Ch9**)

Session 18 (Market Structures):

- Monopoly (**Ch 9 cont.**)

Week 2 FII

Session 19 (Market Structures):

- Monopolistic Competition and Oligopoly (**Ch 10**)

Session 20 (Microeconomic Policy Issues):

- Monopolistic Competition and Oligopoly (**Ch 10 cont.**)

Week 3 FII

Session 21 (Microeconomic Policy Issues):

- Antitrust and Regulation (**Ch 13**)

Session 22 (Market Structures revisited):

- Antitrust and Regulation (**Ch 13 cont.**)

Week 4 FII

Session 23 (Market Structures revisited):

- Labor Markets (**Ch 11**)

Session 24 (Microeconomic Policy Issues):

- Labor Markets (**Ch 11 cont.**)
- **Quiz II**

Week 5 FII

Session 25 (Microeconomic Policy Issues):

- Environmental Economics (**Ch 14 cont.)**

Session 26 (Microeconomic Policy Issues):

- Guest Speaker on Environmental Economics

Week 6 FII

Session 27 (Microeconomic Policy Issues):

- Income Distribution, Poverty, and Discrimination (**Ch 12**)

Session 28 (Microeconomic Policy Issues):

- Income Distribution, Poverty, and Discrimination (**Ch 12 cont.**)

Week 7 FII

Session 29 (Microeconomic Policy Issues):

- Review

Session 30 (Microeconomic Policy Issues):

Final Exam

**Additional
Information**

The schedule serves only as guideline and can be subject to change depending on the speed of the class!