

Course	ECON 2020 Principles of Microeconomics	
Term	Fall II 2009	
Instructor	Rob Curry 816.941.0430 x-5266 rcurry@webster.edu OR rcurry@kc.devry.edu	
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	ECON 2010	
Course Level Learning Outcomes	Outcome	Expectation
	1. Students learn about introductory economics terms and concepts.	Students will learn about such things as scarcity, marginal analysis, opportunity cost, the difference between macroeconomics and microeconomics, and the ceteris paribus assumption.
	2. Students learn about the production possibilities frontier.	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.
	3. Students learn how supply and demand works together to determine prices and output.	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.
	4. Students learn the basics of production and cost theory.	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.																										
Materials	Tucker, Irvin B., 2005, Economics for Today 4th Edition (Full or Split), Thompson Text is available through MBS Direct Books at 1-800-352-3252 or www.mbsdirect.net . Checks and credit cards accepted.																											
Grading	<table border="1"> <tr> <td>1st Exam</td> <td>150 points</td> </tr> <tr> <td>2nd Exam</td> <td>150 points</td> </tr> <tr> <td>3rd Exam</td> <td>150 points</td> </tr> <tr> <td>1st Report</td> <td>100 points</td> </tr> <tr> <td>2nd Report</td> <td>100 points</td> </tr> <tr> <td>Case Study</td> <td>100 points</td> </tr> </table> <p>Grading Scale</p> <table> <tr> <td>95 - 100</td> <td>A</td> </tr> <tr> <td>90 - 94.99</td> <td>A -</td> </tr> <tr> <td>87 - 89.99</td> <td>B +</td> </tr> <tr> <td>84 - 86.99</td> <td>B</td> </tr> <tr> <td>80 - 83.99</td> <td>B -</td> </tr> <tr> <td>70 - 79.99</td> <td>C</td> </tr> <tr> <td>0 - 69.99</td> <td>F</td> </tr> </table> <p>The UNDERGRADUATE catalog provides these guidelines and grading options:</p> <ul style="list-style-type: none"> • 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 • ZF An incomplete which was not completed within one year of the end of the course 	1 st Exam	150 points	2 nd Exam	150 points	3 rd Exam	150 points	1 st Report	100 points	2 nd Report	100 points	Case Study	100 points	95 - 100	A	90 - 94.99	A -	87 - 89.99	B +	84 - 86.99	B	80 - 83.99	B -	70 - 79.99	C	0 - 69.99	F	
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	<ul style="list-style-type: none">• F unsatisfactory work in the opinion of the instructor; no credit is granted• W withdrawn from the course• IP course in progress• NR not reported for the course• Z a temporary designation given by the registrar indicating that the final grade has not been submitted by the instructor. When the final grade is filed in the Office of the Registrar, that grade will replace the Z.
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Activities	<ul style="list-style-type: none"> - Homework assignments from back of each chapter - Application articles from tucker.swcollege.com - Homework problems from Aplia
Policy Statements: University Policies	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university's published policies. The following policies are of particular interest:</p> <p>Academic Honesty</p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university's academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.</p> <p>Drops and Withdrawals</p> <p>Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.</p> <p>Special Services</p> <p>If you have registered as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor at the beginning of the course of the accommodations you will require in this class so that these can be provided.</p> <p>Disturbances</p> <p>Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course.</p> <p>Student Assignments Retained</p> <p>From time to time, student assignments or projects will be retained by The Department for the purpose of academic assessment. In every case, should the assignment or project be shared outside the academic Department, the student's name and all identifying information about that student will be redacted from the assignment or project.</p>

	<p>Contact Hours for this Course</p> <p>It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, it must be rescheduled.</p>
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<p>Course Policies</p>	<p>This syllabus may be revised at the discretion of the instructor without the prior notification or consent of the student. The schedule below presents an approximate expectation of course progress. The instructor reserves the right to add, delete, or modify any weeks of this schedule. The instructor also reserves the right to change the overall course grade weighting. Any changes will be announced in class.</p> <p>Students are required to take all exams. Students are also encouraged to complete two written reports on cases provided in class. The minimum number of pages necessary to complete this report is five. Students are required to research and analyze current topics in a clear and concise manner. In addition to the report, students must present their research to class using Microsoft's Power Point. Reports are due on the 4th and final week of classes. The expectation is that everyone will attend and participate in class.</p> <p>If you miss class you are responsible for getting notes and assignments. <i>No late homework will be accepted and missed quizzes will receive scores of zero unless prior approval to miss class is obtained from the instructor.</i> Makeup exams will be scheduled only if arranged in advance of the scheduled exam date.</p>	
<p>Weekly Schedule</p>	<p>Weekly Schedule</p>	<p>Unit 1</p> <p>Weeks 1 & 2</p> <p>Introductory Concepts</p> <ul style="list-style-type: none"> - scarcity - marginal analysis - opportunity cost - the difference between macroeconomics and microeconomics - the ceteris paribus assumption - the scientific method - the difference between positive and normative statements - the difference between causation and association. <p>Supply and Demand</p> <ul style="list-style-type: none"> - the laws of supply and demand - the difference between demand and quantity demanded - the difference between supply and quantity supplied - know the non-price determinants of both supply and demand - market equilibrium - shortages and surpluses - comparative statics - price controls

		<ul style="list-style-type: none"> - market failures <p>Week 3</p> <p style="text-align: center;">Elasticity</p> <ul style="list-style-type: none"> - own price elasticity of demand - cross-price and income elasticity - the relationship between elasticity and revenue - determinants of price elasticity - elasticity of supply - elasticity and tax incidence <p>Weeks 4 & 5</p> <p>Consumer Choice Theory</p> <ul style="list-style-type: none"> - indifference curves - budget constraints - consumer optimization - substitution and income effects <p>Individual and Market Demand</p> <ul style="list-style-type: none"> - connect consumer choice theory and the demand curve - consumer and producer surplus - bandwagon and snob effects. <p><i>Conduct 1st exam</i></p> <p>Unit 2</p> <p>Week 6</p> <p style="text-align: center;">Production Theory</p> <ul style="list-style-type: none"> - production function - total product - average product - marginal product - the law of diminishing returns
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- returns to scale

Week 7

Cost Theory

- accounting versus economic profits
- short run versus long run
- fixed and variable cost
- sunk cost
- total cost, average cost, and marginal cost
- economies and diseconomies of scale
- minimum efficient scales
- economies of scope

Week 8

Perfect Competition

- basic characteristics of a perfectly competitive firm
- profits in the short and long run
- know examples of real-world industries that most resemble perfect competition
- increasing, constant, and decreasing cost industries
- examples that show the perfectly competitive model in action.

Week 9

Monopoly

- basic characteristics of a monopoly
- profits in the short and long run
- know examples of real-world industries that most resemble monopoly
- examples that show the monopoly model in action.

Week 10

Price Discrimination

- first, second, and third degree price discrimination
- conditions for price discrimination to take place
- peak-load pricing

Conduct 2nd exam

Unit 3

Week 11

Monopolistic Competition and Oligopolies

- review the basic characteristics of both monopolistic competition and oligopoly
- profits in the short and long run in both market structures
- know examples of real-world industries that most resemble both monopolistic competition and oligopoly
- examples that show the monopolistically competitive and oligopolistic models in action.
- the Sweezy principle
- the Cournot, Stackelberg, Bertrand, price leadership, and collusion models of oligopoly
- cartels

Weeks 12-13

Labor Economics

- the firm's individual demand curve for labor
- the supply of labor by people
- equilibrium wages and employment
- monopsony
- substitution and income effects of a change in wage,
- why wages differ across occupations.
- Compensating wage differentials
- apply knowledge of labor markets to a variety of real-world labor market scenarios.

Weeks 14-16

Miscellaneous Topics

- regulation and antitrust
- externalities
- public goods
- environmental economics
- *or use extra time to pace yourself more slowly during semester.*

Conduct 3rd Exam

Additional Information	Supplies needed: Financial Calculator, Pencils or Pens. If you miss class you are responsible for getting notes and assignments. <i>No late homework will be accepted unless prior approval to miss class is obtained from the instructor.</i> Makeup exams will be scheduled only if arranged in advance of the scheduled exam date.
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