

Course	ECON 2020 Principles of Microeconomics	
Term	<u>Fall 1, 2008</u> August 18, 2008 – October 17, 2008 session Actual session period is: August 19, 2008 – October 16, 2008 <u>Tuesday/Thursday</u>	
Instructor	Dr. Rainer Spanier, <i>home phone</i> :626-355-7528 Email: spanier@roadrunner.com	
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		
Course Level Learning Outcomes	Outcome	Expectation
	1. Students learn about introductory economics terms and concepts.	Students can describe 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 can explain 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 can describe 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 can explain market forces may be prevented from working perfectly due to price controls, externalities, or the presence of public goods. Students can apply supply and demand of products to the supply and demand for labor.
	4. Students are familiar with basic national income accounting measures	Students can define the various national income accounting measures (e.g. GDP, GNP, NNP, NI, Inflation, Unemployment, etc.) They can discuss their calculation and their drawbacks as measures of well-being.

	<p>5. Students are comfortable with the theory and application of the Aggregate Demand and Aggregate Supply model.</p>	<p>Students can justify the downward slope of the Aggregate Demand curve. They can describe macroeconomic events that would cause the Aggregate Demand Curve to move.</p> <p>Students can discuss the Aggregate Supply curve including the relevance of differing economic assumptions (e.g. Keynesian, Neo-Classical, etc.) on its shape. They can describe economic events that would cause the Aggregate Supply Curve to move.</p>
	<p>6. Students understand Fiscal Policy.</p>	<p>Students can discuss the use of Fiscal Policy as both a counter-cyclical tool as well as a method of promoting growth in long-run supply.</p> <p>Students can describe the relationship between Fiscal Policy and the federal budget and the implications of federal deficits on the macro economy.</p>
	<p>7. Students understand Monetary Policy</p>	<p>Students can explain the use of Monetary Policy as a counter-cyclical tool. This includes the role of the Central Bank and the banking sector in the conduct of monetary policy.</p> <p>Students can discuss the role of expectations in the ineffectiveness of monetary policy in producing long-term economic growth. This should include a basic understanding of Adaptive and Rational Expectations.</p>
	<p>8. Students are familiar with basic International Economics.</p>	<p>Students can to justify the flow of trade based on the concept of Comparative Advantage. They can describe forms of trade protection and the impact of trade protection on national welfare.</p> <p>Students can define the Balance of Payments accounts. And discuss the role of international flows of goods, services, and investments in the determination of exchange rates.</p>
<p>Materials</p>	<p>Mankiw, N. Gregory, <i>Principles of Economics</i>, Fourth Edition, Thomson – South Western, ISBN 0-324-42351-9</p> <p>You can call MBS Direct at 800-325-3252 and give your school name, site or program, and course number or access the Virtual Bookstore at http://bookstore.mbsdirect.net/WEBSTER.HTM.</p>	

Grading	Participation	30%
	Homework	20%
	Presentation	20%
	Test	30%
	Total	100%
	<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 • 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. 	
Activities	<p>The majority of class-time will be spent in lecture. The remainder will be question and answer at the beginning of class along with discussion of related current events. At least one presentation of a topic that has been discussed is expected. In addition, written homework of a topic that has been discussed in class, is expected at each session.</p>	
Course Policies	<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>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.</p>	

Weekly Schedule	Weekly Schedule
	<p style="text-align: center;">Pre-Assignment for Week 1 Skim Part 1</p> <hr/> <p>Week 1 August 19 August 21</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 1: Ten Principles of Economics • Chapter 2: Thinking like an Economist • Chapter 3: Independence and the Gains from Trade <p>Assignment for Week 2:</p> <ul style="list-style-type: none"> • Read Chapters 1, 2, and 3 <p>Skim Part 2 and Prepare an essay about the European Union and homework: answer three questions on page 36 and three questions from page 59</p>
	<p>Week 2 August 26 August 28</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 4: The Market Forces of Supply and Demand • Chapter 5: Elasticity and its Application • Chapter 6: Supply, Demand, and Government Policies <p>Assignment for Week 3: answer three questions from page 85, prepare a presentation in reference to page 103f, 105f, or 107f., plus answer three questions from page 109 and prepare a presentation regarding a case study on page 128f as well as on page 129ff.; answer three questions from page 132</p>
	<p>Week 3 September 2 September 4</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 7: Consumers, Producers, and the Efficiency of Markets • Chapter 8: The Costs of Taxation • Chapter 9: International Trade <p>Assignment for Week 4:</p> <ul style="list-style-type: none"> • Skim Part 4 • Reread Chapters 7, 8, and 9 and <p>Prepare presentations regarding articles on pages 152 and 153</p>
	<p>Week 4 September 9 September 11</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 10: Externalities • Chapter 11: Public Goods and Common Resources <p>Assignment for Week 5:</p> <ul style="list-style-type: none"> • Reread Chapters 10 and 11 • Prepare Chapters 12 and 13 • Review questions from end of chapters

	<p>Week 5 September 16 September 18</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 12: The Design of the Tax System • Chapter 13: The Costs of Production <p>Assignment for Week 6:</p> <ul style="list-style-type: none"> • Preread Chapters 14 and 15 • Read again Chapters 12 and 13 <hr/> <p>Week 6 September 23 September 25</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 14: Firms in Competitive Markets • Chapter 15: Monopoly <p>Assignment for Week 7:</p> <ul style="list-style-type: none"> • Reread Chapters 14 and 15 • Preread Chapters 16, 17, and 18 • Review questions at end of chapters <hr/> <p>Week 7 September 30 October 2</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 16: Oligopoly • Chapter 17: Monopolistic Competition • Chapter 18: The Markets for the Factors of Production <p>Assignment for Week 8:</p> <ul style="list-style-type: none"> • Reread Chapters 16 to 18 • Prepare for Chapters 19 and 20 • Review questions at end of chapters <hr/> <p>Week 8 October 7 October 9</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 19: Earnings and Discrimination • Chapter 20: Income Inequality and Poverty <p>Assignment for Week 9:</p> <ul style="list-style-type: none"> • Prepare for Chapters 21 and 22 • Review questions at end of chapters <hr/> <p>Week 9 October 14 October 16</p> <p>Topics:</p> <ul style="list-style-type: none"> • Chapter 21: The Theory of Consumer Choice • Chapter 22: Frontiers of Microeconomics <p>Test</p>	Week 8
<p>Additional Information</p>		

Copyright © 2005 – 2006, School of Business & Technology, Webster University. All rights reserved.