Microeconomics Principles (ECON 2302.003)
Fall 2012
Texas A&M University-Corpus Christi, College of Business

Instructor: Dr. Deniz Gevrek
Section & Location: Section 003, Wednesday 4:20 - 6:50am; IH 267
Office Hours: Tue: 11am-2pm; Wed: 1-4pm or by appointment.
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Phone: (361) 825 3601
Course Web Page: all course materials will be posted on Blackboard 9.1
ISBN-10: 0-13-291198-1
Prerequisites: MATH 1314 or equivalent.

Course Description:
The main objective of this course is to teach you to think and approach economic problems “like an economist.” To achieve this, this course will endow you with the tools that will help you understand and analyze the economic issues. We will mainly explore microeconomic subjects such as scarcity and choice, opportunity cost, demand and supply, equilibrium, consumer behavior, elasticity, production costs, perfect and imperfect market structures, externalities, environmental policy, health care, and models of the modern market price system. This course satisfies the economics component of the University core curriculum.

Learning Objectives:
By the end of this course, the students will be able to:
1. Understand the structure of a market for a particular good or service and the efficiency to which economic resources can be allocated through the market system.
2. Understand the concept of elasticity and its applications in pricing decisions and in assessing the burden of a per unit tax.
3. Be cognizant of the factors that influence whether or not an individual purchases a good which leads to the goal of satisfaction (utility) maximization.
4. Identify the four market structures that a firm could be part of and the differences between those market structures.
5. Understand the role of marginal analysis in determining the optimum level of production and prices.
6. Effectively review and prepare for the Major Field Test for business majors.

Major Field Test
The Major Field Test (MFT) is required for all students pursuing the Bachelor of Business Administration degree and will be administered in the MGMT 4388 course, “Administrative Policy and Strategy.” To prepare for this test, business majors are advised to retain their class notes, textbooks, and other relevant materials from this class and the other business core courses. Students will enroll in BUSI 0088 “MFT Review” (concurrently with MGMT 4388) during their final semester; this online course should fine-tune their readiness for the MFT by encouraging them to complete the online MFT review materials and required quizzes available on the course Blackboard learning modules.
Relationship to Other Courses:
This course assumes the student has completed the mathematical prerequisite. The student will have an opportunity to apply quantitative skills introduced in other courses to solve economic problems. In addition, this course will emphasize the following specific skills: mathematical competency, critical thinking, writing, reading, listening and speaking. The emphasis on the development of these specific skills in this course should benefit the student in other courses undertaken regardless of major.

Instructional Methodology:
In addition to lectures, the class will be interactive. A variety of learning methodologies will be used, such as: class discussions, team activities, and quizzes.

How to succeed:
Part of your responsibility as a TAMU-CC student is to attend classes and take notes. This is an essential part of the learning process. Please see my attendance policy below for more details. I will post on the BlackBoard website some lecture materials, but not detailed lecture notes. Attendance to the class and keeping up with the readings are essential to pass this course. Do not forget that it is in your best interest to finish the reading assignment before each class. The detailed class schedule, which is subject to changes and revisions throughout the semester, is on the last page of this syllabus should tell you which chapters to read before you come to class. The class notes and the textbook are complementary to each other so use them both preparing for the tests. Starting from basic concepts, we will proceed to much more complicated ones, do not get overconfident with you and keep hard work. I also encourage you to work in study groups.

Attendance Policy:
Students are held responsible for class attendance. Class attendance is a necessary but not a sufficient condition for active class participation and satisfactory course performance. Students absent from classes are responsible for making arrangements to submit assignments due, learn material discussed, and be aware of announcements made in class. Assignments missed due to absences cannot be made up except for illness or other emergencies, in which case a doctor’s note or other official documentation is required to accompany the assignment.

Performance Evaluation and Grading:
Your grade will be based on two midterm exams, quizzes, attendance, and a final test. The first midterm is on Wednesday, September 26, will cover material up to and including lecture 5. The second midterm is on Wednesday, October 31, will cover lectures 6-10. These two midterm scores will make up 50% of your final grade. There will be NO MAKEUP tests under ANY circumstances, DO NOT make any plans for these days. Please read on for my policy on missed examinations.

Attendance will make up 10% of your grade. We will meet 15 times and I will take attendance during the 13 classes except for the two days we have midterm exams. While I will take attendance every class, a student gets the full 10% as long as s/he attends 10 classes. Students entering class past the class start time will lose half of their attendance grade, students who are late more than 5 minutes receive zero for attendance. Students who engage in fraudulent activity regarding attendance even once (i.e., students who are absent but have their friends sign the attendance sheet in place of them) lose the entire attendance grade and face disciplinary action.

In addition, there will be approximately 12 quizzes. Each quiz will have different number of questions but the total number of questions in 12 quizzes will be around 100. If you score 100 out of 100 you get 10% (each questions is worth 0.1 points). The quizzes will be posted on the BlackBoard web page on each Friday by 12 pm (noon) and will be due by the next Tuesday at 7:00 am. There will be a quiz every week except for 3 weeks. Please see the tentative class schedule on the last page to find the exact dates of quizzes. There will be NO
MAKEUP quizzes under any circumstances. If you miss a quiz you will get zero points for that quiz with no exception.

The final test will be comprehensive, but will draw more heavily on lectures after the second midterm. Final exam makes up 30% of your grade. Registrar’s Office scheduled the final exam on Wednesday, December 12, at 4:30 pm at our regular class location. Do not plan to leave before this date because there is no makeup test for the final. University policy requires that you take the final exam at the time Registrar’s office determines. If you miss the final you will lose the 30% of your grade with no exceptions.

| Attendance | 10% |
| Quizzes   | 10% |
| Midterm 1  | 25% |
| Midterm 2  | 25% |
| Final Exam | 30% |
| Total     | 100% |

Your letter grade will be based on your cumulative number of points. The approximate letter grades will be as follows, but I reserve the right to adjust the cut-off points. I will use standard rules for rounding and the following conversion table for the absolute scale:

<table>
<thead>
<tr>
<th>percent</th>
<th>letter grade</th>
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</thead>
<tbody>
<tr>
<td>90.0 – 100.0</td>
<td>A</td>
</tr>
<tr>
<td>80.0 – 89.9</td>
<td>B</td>
</tr>
<tr>
<td>70.0 – 79.9</td>
<td>C</td>
</tr>
<tr>
<td>60.0 – 69.9</td>
<td>D</td>
</tr>
<tr>
<td>0.00 – 59.9</td>
<td>F</td>
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</table>

Grading Policy:
The dates of the two midterm exams and the final, paper project, as well as the quizzes are fixed. There will be NO makeup tests, quizzes under any circumstances. Missed exams generally will be treated as zeroes; only serious and substantiated medical, university related or personal emergencies may be accepted as legitimate excuses for a missed exam. No exceptions will be made for job interviews, Thanksgiving travel, or other non-academic activities. If you miss a midterm for a legitimate reason, then its weight will be shifted to other midterm and final as follows, i.e. 10% will be shifted to the other midterm (other midterm will count as 35% of your grade) and 15% will be shifted to the final (final exam will count as 45% of your grade). If you fail to take any midterms, your final test will have a weight of 80%, but I strongly suggest you to not to put yourself in any of the above situations. Students who are athletes present an official letter from the University if any of the test dates causes conflict with their scheduled activities. This letter must be presented in advance to me.

Your grade is determined solely by your performance, not by the instructor’s. There will not be any additional credit opportunities after the final test to supplement your grade. You earn your grade based on your performance not based on your needs or wants. The main purpose of my policies is fairness. I believe in rewarding those people who take their responsibilities seriously.

Course Withdrawal Policy:
THE LAST DAY TO WITHDRAW FROM A COURSE WITH AN AUTOMATIC “W” IS 3:00 PM, FRIDAY, November 2, 2012. Please keep in mind that there is a maximum of SIX class withdrawals allowed during a student’s undergraduate career in Texas institutions.

Classroom/professional behavior:
Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor’s ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject
to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

**Classroom Etiquette:**
Examples of classroom misconduct that may affect student evaluation include:

1. *Habitually* entering or leaving the classroom during class time without the consent of the instructor,
2. Using any telecommunication device (definition: Use of a mobile phone during class, including text messaging, surfing internet. Out of respect for your fellow classmates mobile phones are to be turned off and placed in your bag or pocket. If you are caught using a phone the instructor reserves the right to confiscate the phone and return it at her convenience.)
3. Talking or chit-chatting with other students, and any other activities that are disruptive to the learning environment are also not allowed.
4. Engaging in fraudulent activities regarding class attendance.

Students caught engaging in such activities should expect class or course dismissal along with a letter of reprimand placed in their academic files.

According to the University policy, **no cell phone is allowed** in a room when a test/exam is taken.

**Academic Honesty Policy:**
This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at [www.cob.tamucc.edu](http://www.cob.tamucc.edu)). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Students who violate University rules on scholastic honesty are subject to disciplinary penalties, including the possibility of failure in the course and dismissal from the University. Since dishonesty harms the individual, fellow students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced.

**Disabilities Accommodations:**
The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in 116 Corpus Christi Hall.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

**Grade Appeals:**
As stated in University Rule 13.02.99.C2, Student Grade Appeals, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Rule 13.02.99.C2, Student Grade Appeals, and University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at [http://www.tamucc.edu/provost/university_rules/index.html](http://www.tamucc.edu/provost/university_rules/index.html). For assistance and/or guidance in the grade appeal process, students may contact the Office of Student Affairs.
Other Aspects of the Course:

Oral and Written Communication Content:
Class discussion, active participation, quizzes, as well as major examinations will provide an opportunity for evaluating students' performance in oral and written communications.

Technology Applications:
Students should strive to use current technological aids and use whatever visual aids would improve the quality of their learning process. The course syllabus and other course material will be available online. Students are encouraged to communicate with the instructor using the Internet. Students are expected to develop computer skills and to use the Internet. Students are encouraged to use financial calculators in class for team activities, class quizzes, and major examinations. Students may use computers in class for note taking and presentations.

Ethical Perspectives:
Decentralized decision-making in a market price system is emphasized. Outcomes of decentralized decisions are examined at the micro and macro levels of the economy. Class discussions are encouraged so that different perspectives may be openly examined. Positive (“what was done”) rather than normative (“what should have been done”) is generally the approach used in microeconomics since a competitive market decision is usually considered a desired outcome.

Global Perspectives:
Throughout the course, students will discuss and compare economic activities in the domestic economy to other economies of the world. The market price system in the U.S. is emphasized and compared to decision-making systems used in some other economies.

Demographic Diversity Perspectives:
There will be opportunities to compare and discuss demographic diversity in the course especially regarding the diversity of labor in the input markets.

Political, Social, Legal, Regulatory, and Environmental Perspectives:
The market price system is examined in detail throughout the course. How our society deals with property ownership (private vs. public), monopoly power (regulation vs. state ownership), and environmental issues (marginal costs vs. total costs) are continuing topics for discussion throughout the course.
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Subject Covered</th>
<th>Chapters</th>
<th>Due each week on TUESDAY at 7:00 am*</th>
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<tbody>
<tr>
<td>1</td>
<td>Wed, Aug 22</td>
<td>Economics: Foundations and Models; Trade-offs, Comparative Advantage, Market System</td>
<td>1+Appendix; 2</td>
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<tr>
<td>2</td>
<td>Wed, Aug 29</td>
<td>Comparative Advantage and Gains from International Trade; Start Supply and Demand</td>
<td>Chapter 9 pp. 277-284; 3</td>
<td>Bonus Quiz</td>
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<tr>
<td>3</td>
<td>Wed, Sept 5</td>
<td>Continue Supply and Demand</td>
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<tr>
<td>4</td>
<td>Wed, Sept 12</td>
<td>Economic Efficiency, Government Price Setting, and Taxes</td>
<td>4</td>
<td>Quiz 1</td>
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<td>5</td>
<td>Wed, Sept 19</td>
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<tr>
<td>6</td>
<td>Wed, Sept 26</td>
<td>In Class MIDTERM #1; Elasticity: Responsiveness of S &amp;D</td>
<td>6</td>
<td>Quiz 4</td>
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<tr>
<td>7</td>
<td>Wed, Oct 3</td>
<td>Finish 6; Consumer Choice</td>
<td>10</td>
<td>Quiz 5</td>
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<tr>
<td>8</td>
<td>Wed, Oct 10</td>
<td>Technology, Production, and Costs</td>
<td>11</td>
<td>Quiz 6</td>
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<td>9</td>
<td>Wed, Oct 17</td>
<td>Finish 11; Firms in Perfectly Competitive Markets</td>
<td>12</td>
<td>Quiz 7</td>
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<td>10</td>
<td>Wed, Oct 24</td>
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<td>11</td>
<td>Wed, Oct 31</td>
<td>In Class MIDTERM #2; Monopoly</td>
<td>15</td>
<td>Quiz 8</td>
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<td>12</td>
<td>Wed, Nov 7</td>
<td>Finish 15; Monopolistic Competition</td>
<td>13</td>
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<td>13</td>
<td>Wed, Nov 14</td>
<td>Oligopoly and Game Theory</td>
<td>14</td>
<td>Quiz 9</td>
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<td>14</td>
<td>Wed, Nov 21</td>
<td>Externalities, Environmental Policy and Public Goods</td>
<td>5</td>
<td>Quiz 10</td>
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<tr>
<td>15</td>
<td>Wed, Nov 28</td>
<td>The Economics of Health Care</td>
<td>7</td>
<td>Quiz 11</td>
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Wednesday, December 12, at 4:30pm  FINAL TEST