***Syllabus***
**Principles of Microeconomics**

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| Dr. Terrel Gallaway  TerrelGallaway@missouristate.edu (Use sparingly and only with correct subject line, see below)ECO 165Spring 2015 | Office: STRO 368 Office Hours: 10:00-11:00 MWF  2:15-3:15 MWF and by appointment |

**Course Description**

Economics is a social science. Therefore, economists are interested in people, the decisions they make, and how these decisions affect society.  In particular, this course will focus on the decisions of consumers and producers.  We will examine, among other things, how these decisions determine what is produced, how it is produced, and how final goods are distributed among consumers. As we do, we will pay particular attention to issues of efficiency, equity, & economic stability.

The subject matter of this course includes much that affects you daily.  The decisions you make about what to wear, what to eat, or where to work are (partly) economic decisions.  In fact, topics as diverse as unemployment, world hunger, pollution, and whether or not to go to class are all things that can be studied and analyzed using economic theory.  Despite this focus on such every-day topics, our approach in this class will largely be a theoretical one.  That is, in this course you will not be expected to learn a bunch of facts and figures.  Instead, you will be expected to learn a  series of relationships and how to use these relationships to logically evaluate a wide variety of issues.

Economics graduates enjoy interesting and rewarding careers.  Well-known economics graduates include former presidents Ford, Reagan, and Bush (the older one, #41), Sam Walton, Warren Buffet, Alan Greenspan, Ben Bernanke, Donald Trump, Arnold Schwarzenegger, Janet Yellen, Tiger Woods, Ted Turner, the cartoonist Scott Adams, astronaut Eileen Collins, Lionel Ritchie, Supreme Court Justice Sandra Day O'Connor, political columnist William F. Buckley, Paul Newman, Ben Stein, Steve Ballmer (Microsoft), Scott McNealy (Sun Micro systems) and many other business and political leaders.  For more information on the economics major at Missouri State, please visit: <http://www.missouristate.edu/econ/undergraduate/>

**Text**

Required: Colander, David C. (2013) *Microeconomics,* 9th  ed. Irwin/McGraw-Hill with

Access to *Connect Economics*.  Connect Plus includes access to the eBook.

Connect Support: (800) 331-5094 or <http://www.connectstudentsuccess.com/>

A separate handout will be given during the second class with further instructions.

Options for purchasing the textbook:

1. Buy the package with new text and the access code to Connect Plus,
2. Buy only the access code to Connect Plus through the bookstore or directly on the website,
3. Buy access to Connect (without the eBook) through the website and obtain a used textbook.

**Expectations**

Learning is an active process.  As students, you must take primary responsibility for your education.  If you hope for a passing grade in this class, you should start by living up to these *minimum* expectations:

* Enroll in the *Connect* site for this course.
* Reading the syllabus and regularly checking the course website, and keeping track of  requirements and due dates.
* Showing up for class on-time and familiar with the day’s material.
* Contributing to the class by asking questions and offering your insights.
* Treating your classmates with respect.
* Behaving appropriately in the classroom. Talking out of turn, reading newspapers,  arriving late and leaving early, sleeping, and the like are distracting and disrespectful to me and to your classmates, and impede the learning process. Therefore, these behaviors will not be tolerated.
* Asking questions, in or out of class, when you need help.
* Studying about 6-10 hours outside of class each week, or as much as needed to earn an acceptable grade.
* Behaving with honesty and integrity.
* Students are expected to stay in class the full period.  Leaving early is disruptive and disrespectful to your classmates and teacher.  Such behavior will cause a student's **grade to be reduced by 10 points for each offence**.  Leaving early is acceptable only in an emergency or with  prior arrangements have been made with the teacher.
* Students are expected to take responsibility for their graded assignments.  Not placing their name on a test or quiz will cost the student **10 points**.  Students are also expected to pick up their graded quizzes and exams.  If not picked up, they will be thrown out after a week and will not be available to study.

 **Key Concepts** (which may or may not tie directly to General Education Goals, see below)

Among the many things students should learn in a microeconomics course, there are a few broad concepts that stand out for their importance in understanding the economy and for their vast relevance to public affairs.  By the end of the semester you should have a solid understanding of each of these important concepts:

1. The role of marginal analysis in rational economic decision making.
2. The importance of opportunity costs and the tendency for these costs to grow.
3. The mutual benefits from exchange.
4. The roles of specialization and comparative advantage in minimizing opportunity costs and generating wealth.
5. The use of supply and demand diagrams as a tool for analyzing a variety of issues.
6. The role of institutions in shaping behavior and economic outcomes.
7. The way in which consumers buy a mix of goods that will maximize their utility.
8. The way producers employ a mix of inputs that minimizes the costs for a given level of production.
9. The way producers select an optimal amount of output that maximizes their profits.
10. The way perfect competition can lead to economic efficiency and how this relates to Adam Smith's notion of *The Invisible Hand.*
11. How monopolies hinder efficiency.
12. The inefficiency of  oligopolies and how their interdependence makes them hard to predict.
13. The mixed results of monopolistic competition.
14. How public goods, externalities, transactions costs, and poor information sabotage market efficiency.

**Grades**

Final grades will reflect student performance on  *Connect* assignments, two midterm exams and a final exam.  Deductions might also be made as outlined above.  Exams will be given on the days indicated in the class schedule. Scores will be weighed on the following basis:

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| *Connect* Lean Smart          90 points*Connect* Homework          90 pointsFirst Exam:                     100 points Second Exam:                 100 pointsFinal Exam:                    120 points **Total                              500 points** |

Final grades will be awarded based on the following scale:

450 - 500 points = A

400 - 449 points = B

350 - 399 points = C

300 - 699 points = D

below 300 points = F

In the case of borderline situations, the instructor may raise a student's grade by a "half" grade. Though the students should not count on such good fortune, the instructor reserves the right to modestly widen the ranges for passing grades.

**Final Exam**

The final exam will primarily cover material from the third unit.  Additionally, part of the exam will be comprehensive and cover topics from throughout the semester that are particularly important or that students failed to learn for earlier exams.

**Extra Credit**

At the discretion of the instructor, some extra credit assignments may be given.  These assignments will be on *Connect*.  The extra credit is voluntary, but **all students must register for *Connect.***

**Course Policies**

**Email:** Students should include "ECO 165" and the section number  in the subject line of all emails.  Emails should also include the student's name and a full description of questions or concerns. In general, students are better off contacting the professor in person during office hours or before or after class.

**Technology:**

* All cell phones should be turned off when entering class. In addition, see MSU's common policies, below.
* For tests, only simple calculators will be allowed.  Graphing calculators, programmable calculators, and cell phones will not be allowed.
* Generally laptops are a big distraction, and disrupt the class.  They will not be allowed without prior consent of the instructor.  Use of laptops & electronic notebooks for anything other than class purposes is always prohibited.
* Students using laptops, smartphones, etc. for anything other than class purposes will be asked to leave class or temporarily forfeit their laptop or smartphone.
* Permission must be obtained from the instructor before using any recording device in class.  Violation of this policy may be considered an act of cheating or plagiarism (see below). The contents of class lectures are protected property.  Recordings of the class including, but not limited to, digital audio, digital video, and tapes, is not allowed without first obtaining written permission of the instructor.

**Absentee Policy:** Attendance will be taken throughout the course. Although attendance and grades tend to be positively correlated, I will not directly deduct any points for absenteeism.

**Plagiarism and Cheating Policy:** All members of the University community share the responsibility and authority to challenge and make known acts of apparent academic dishonesty. Any student detected participating in any form of academic dishonesty will be subject to sanctions as described in the [Student Academic Integrity Policies and Procedures](http://www.missouristate.edu/policy/Op3_01_AcademicIntegrityStudents.htm), also available at the Reserves Desk in Meyer Library, and in abbreviated form in the Missouri State Undergraduate Catalog.  **Possible sanctions include issuing an "XF" for a semester grade.**  It is your responsibility to read and fully understand Missouri State's Student Academic Integrity Policies and Procedures.

At a minimum, anyone caught plagiarizing or cheating will automatically receive a ***zero*** for the assignment. This zero will automatically be averaged into the semester's final score without any possibility of it being dropped, made-up, or weighted less.  Students caught cheating on a quiz will have their semester grade lowered one letter in addition to receiving a zero on the quiz. Cheating and plagiarism include a variety of activities. If in doubt, ask me.

**Makeup Policy:** There will be NO make-up or early exams without an official**,** WRITTEN excuse. With a valid excuse, students will be allowed to take the exam on or before the day for which it was scheduled. After that day, the exam can be made-up by taking an exam that may be different than the one given in class.  Students hoping to take a makeup exam should contact me immediately.  The exam will be scheduled for the earliest time that is mutually workable. Students who do not make up their exam promptly will not be allowed to take it at all.

Since *Connect* assignments are available for an extended period, there will be **no makeups** for any *Connect* assignment unless a student has an excused absence for an extended period of time. Procrastination is not a valid excuse for missing a deadline.

**General Education**

ECO 165 is a General Education course in the “Breadth of Knowledge, Knowledge of Human Cultures: Social and Behavioral Sciences” section of the General Education program. This course helps students achieve the General Education learning outcome **General Goal 8**: *Students will be able to understand various institutions (e.g., cultural, political, economic, religious, and educational) and their historical backgrounds, as well as principles of human behavior and social interaction.*

The associated **Specific Learning Outcomes (SLOs)** for this course are:

* #3. Use social science methods to explain or predict individual and collective human behavior and decision-making.
* #4. Articulate interdependence of people and places around the globe.
* #6. Understand and apply behavioral science principles to personal, social, and organizational issues.

ECO 165 satisfies General Goal 8 by helping students “understand various institutions and their historical backgrounds” and focusing on the “principles of human behavior” in the context of national and international economic institutions. Economics uses “social science methods to explain or predict individual and collective human behavior and decision-making” (SLO 3). This is especially pronounced in microeconomics which focuses on explaining the behavior of individual *economic agents*. These agents are decision makers, including consumers and business people, who are rewarded or punished by the market depending on the quality of their decisions. Analyzing goals, incentives, and decisions is a key part of how economists “apply behavioral science principles to personal, social, and organizational issues” (SLO 6). In particular, economists analyze how markets facilitate the efficient allocation of scarce goods and resources. Good decision making is crucial because of the scarcity of resources. Importantly, both scarcity and markets highlight “the interdependence of people and places around the globe” (SLO 4). All of the Course Goals stated below satisfy more than one (and sometimes all) of the SLOs associated with this course.

1. Explain the role of marginal analysis in optimal decision making. (Maps into SLOs 3, 6)
2. Be able to use the demand and supply model to determine the equilibrium price and quantity and to reflect exogenous changes in tastes, other prices, or government policies. (Maps into SLOs 3, 4, & 6)
3. Understand the behavioral principle of utility maximization as the basis for consumer decision-making and the key assumption behind the demand curve. (Maps into SLOs 3 & 6)
4. Understand input and production decisions for firms, in both the short run and the long run. (Maps into SLOs 3 & 6)
5. Understand short-run and the long-run profit-maximization decisions for a perfectly competitive firm and industry and how these shape the associated supply curves. (Maps into SLOs 3 & 6)
6. Understand profit maximization and price determination for market structures other than perfect competition (e.g., monopoly, monopolistic competition, oligopoly). (Maps into SLOs 3 & 6)
7. Understand how international trade based on the principle of comparative advantage leads to global interdependence and facilitates the efficient allocation of resources internationally. (Maps into SLOs 3, 4 & 6)

**MSU Policies**

**Nondiscrimination:** Missouri State University is an equal opportunity/affirmative action institution, and maintains a grievance procedure available to any person who believes he or she has been discriminated against. At all times, it is your right to address inquiries or concerns about possible discrimination to the Office for Institutional Equity and Compliance, Park Central Office Building, 117 Park Central Square, Suite 111, 417-836-4252. Other types of concerns (i.e., concerns of an academic nature) should be discussed directly with your instructor and can also be brought to the attention of your instructor’s Department Head.   Please visit the OED website at [www.missouristate.edu/equity/](http://www.missouristate.edu/equity/).

**Disability accommodation:** To request academic accommodations for a disability, contact the Director of the Disability Resource Center, Plaster Student Union, Suite 405, 417-836-4192 or 417-836-6792 (TTY), [www.missouristate.edu/disability](http://www.missouristate.edu/disability). Students are required to provide documentation of disability to the Disability Resource Center prior to receiving accommodations. The Disability Resource Center refers some types of accommodation requests to the Learning Diagnostic Clinic, which also provides diagnostic testing for learning and psychological disabilities. For information about testing, contact the Director of the Learning Diagnostic Clinic, 417-836-4787, <http://psychology.missouristate.edu/ldc>.

**Academic Dishonesty:** Missouri State University is a community of scholars committed to developing educated persons who accept the responsibility to practice personal and academic integrity.  You are responsible for knowing and following the university’s student honor code, [Student Academic Integrity Policies and Procedures](http://www.missouristate.edu/policy/Op3_01_AcademicIntegrityStudents.htm) and also available at the Reserves Desk in Meyer Library.  Any student participating in any form of academic dishonesty will be subject to sanctions as described in this policy.

**Cell Phones:** As a member of the learning community, each student has a responsibility to other students who are members of the community.  When cell phones or pagers ring and students respond in class or leave class to respond, it disrupts the class. Therefore, the Office of the Provost prohibits the use by students of cell phones, pagers, PDAs, or similar communication devices during scheduled classes. All such devices must be turned off or put in a silent (vibrate) mode and ordinarily should not be taken out during class. Given the fact that these same communication devices are an integral part of the University’s emergency notification system, an exception to this policy would occur when numerous devices activate simultaneously. When this occurs, students may consult their devices to determine if a university emergency exists. If that is not the case, the devices should be immediately returned to silent mode and put away. Other exceptions to this policy may be granted at the discretion of the instructor.

**Emergency response:** At the first class meeting, students should become familiar with a basic emergency response plan through a dialogue with the instructor that includes a review and awareness of exits specific to the classroom and the location of evacuation centers for the building. All instructors are provided this information specific to their classroom and/or lab assignments in an e-mail prior to the beginning of the fall semester from the Office of the Provost and Safety and Transportation. Students with disabilities impacting mobility should discuss the approved accommodations for emergency situations and additional options when applicable with the instructor. For more information go to <http://www.missouristate.edu/safetran/51597.htm> and <http://www.missouristate.edu/safetran/erp.htm>.