

**Spears School of Business**  
**ECON 2103.702: Principles of Microeconomics**  
**Spring 2015**

**Instructor:** Dr. Bill McLean

**Phone:** 405-744-6856

**Office Hours:** Mon. 1:15-2:15 PM; Tue. 3:15-4:15 PM; Wed. 9:30-10:30 AM

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**Course Vision:** Students will acquire and use resources to produce the greatest utility and/or profit.

<b>Course Terminal Learning Objectives:</b> Upon completing the course, students should be able to:		<b>SSB Program Learning Goal</b>
1	compare a command and market economy.	Critical Thinking
2	evaluate scarcity and its effects.	Business Knowledge & Competency
3	explain, illustrate and compare opportunity costs.	Critical Thinking
4	describe how consumers maximize their satisfaction.	Critical Thinking
5	describe and illustrate the organization and operation of product and factor markets.	Business Knowledge & Competency
6	analyze decision making on the margin.	Critical Thinking
7	describe and evaluate how businesses profit maximize.	Business Knowledge & Competency Critical Thinking
8	describe the operation of the "invisible hand."	Critical Thinking
9	describe and analyze political & economic decision making (public choice).	Critical Thinking Written Communication

**Prerequisite:** None; however, we will use basic algebra in the course.

**Materials Required:**

a. *Text:* *Principles of Microeconomics*, openstax College

1) [PDF version of \*Principles of Microeconomics\*](#)

<http://openstaxcollege.org/textbooks/principles-of-microeconomics/pdf>

2) [Principles of Microeconomics \(other formats\)](#)

<http://openstaxcollege.org/textbooks/principles-of-microeconomics/get>

3) Sapling Learning Course Management System:

a) purchase access card at OSU bookstore or

b) purchase online at [Establishing an account/registering for the course](#)

<http://www2.saplinglearning.com/help/higher-education-us/accounts-and-registration>

\*\*An e-book comes with the Sapling Learning account.

**Course Operating Concept.**

We will use a combination of lectures, demonstrations, class discussions, experiments, and problem based learning exercises to cover the assigned course material. You are expected to master the material at the knowledge and comprehension levels from your class preparation and homework. I will focus our class efforts at the application and analysis level of learning.

**Before attending class, I expect you to:**

- 1) read the assigned class material
- 2) complete the Prep exercise (noon)
- 3) complete the assigned homework (noon)

I will ask individuals to answer questions pertaining to the homework assignment as well as previous class work. This is not intended to embarrass you. This is the Socratic method of teaching which has proven effective for more than 2,000 years. So get ready. If you find this atmosphere unbearable, then you should enroll in another section. Economics is a participation sport. You learn by doing!!!

**Course and Exam Coverage:**

Unit I: Basic Economic Concepts & Supply and Demand (Chapters 1-3), EXAM 1

Unit II: Markets, Elasticity, Consumer Choices, Cost and Industry Structure (Chapters 4-7), EXAM 2

Unit III: Forms of Competition, Labor Unions, International Trade (Chapters 8-10, 15, 19-20) EXAM 3

Comprehensive Final Exam

**Prep & Homework:**

Economics is best learned by doing. You are expected to complete the assigned Prep and/or Homework problems before noon of the indicated class period. Pay attention to the concepts, Techniques and procedures emphasized in the questions. You will find the homework assignments listed in the class schedule.

Each assignment consists of 8-12 problems/questions. These are graded exercises found in at the Sapling Learning site.

**Exams:**

There will be three unit exams and a comprehensive final exam. Exam dates and times are listed at the Course Schedule. Each unit exam contains 30-45 multiple-choice questions and possibly 1-3 short answer questions over the designated material. Students missing the exam should immediately contact me with the facts of the situation. I will require DOCUMENTATION supporting your situation. Make up exams are given on Friday, 8 May at 4 PM. These exams contain only short answer & essay questions.

**Exam Feedback:**

I will post the exam solution in the "news" section of 02L. You are expected to compare your answers on the multiple choice and short answer questions to the solution provided. Next determine **WHY** you missed each question. This is the most critical analysis that you can perform. If you have questions regarding the solutions, then present your question(s) at the beginning of the next class. I will answer them before proceeding to new material. I will return your scantron and short answer questions the class period following the exam. If you are absent that day, then you need to pick-up your exam in my office.

**Attendance and Problem Based Learning Exercises (PBLX):**

Class attendance is expected. I will give two types of unannounced assignments in class. They are PBLX and individual learning exercises. Each is worth 5-10 points. Under no circumstances will make-ups be given for these assignments. There are 32 instructor points available.

**E-Mail communication:** I will respond to your emails within 24 hours provided they are addressed correctly. To facilitate a prompt response to your email(s), you are expected to put "2103.702" in your subject line. For example, your subject line could be: 2103.702 Question about syllabus. Professional correspondence requires a concise subject line. If you fail to do this, then I will return your email unanswered.

**Writing Assignment:**

**DUE DATE:** Thursday, 30 Apr. (5:00 PM).

**Essay Topic:** Do government subsidies for new technology or services lead to the desired outcome? Use 3-4 historical examples to support your position.

You will turn in your paper to the class drop box. The paper must be a Word document (doc or docx) file. Your paper will be run through the Turnitin plagiarism software. The electronic version must be dropped-off before the 5:00 PM deadline.

Each paper will be graded as either ***Highly Acceptable (HA)***, ***Acceptable (A)*** or ***Unacceptable (U)***. A HA paper earns 38 of 40 points (95%). A HA paper has a clear thesis statement, strong supporting evidence, deep analytic thought and uses specific examples to support one's position. An acceptable paper earns 34 of 40 points (85%). An acceptable paper has a clear thesis statement, concisely supports the thesis, and shows analytic thought and research. An unacceptable paper fails in two of these areas and receives 0-25 points. A paper that does not have a body of five full pages is considered unacceptable for grading purposes.

***a. General instructions for all pages of the paper.***

- 1) One inch margins for top, bottom, left and right margins.
- 2) Use Times New Roman #12 font.
- 3) Cite using the APA or MLA style manual
- 4) The body of the paper must be 6-7 pages.
- 5) Double space in the body of the paper.
- 6) The paper will be submitted as a Microsoft Word document (doc or docx) file.
- 7) Number pages in bottom, centered. No number on cover page. Page 2 is where the body of the paper starts.
- 8) All papers will have a cover page, body and bibliography.

***b. Cover page.***

- 1) Line 6: Essay question listed. Centered on page.
- 2) Line 12: ECON 2103.702, Spring 2015
- 3) Line 14: Your name
- 4) Line 16: Date

***c. Body***

- 1) 6-7 pages long
- 2) Cite all referenced material. Include page numbers for quoted material.

## Grades:

1. Exams: four worth 125 points each (500).
2. Prep and Homework assignments: (93).
3. Instructor points: (32)
4. Paper points: (40).
5. **Total Points: 665**
6. Letter grades will be assigned according to the standard scale.  
A: 90%-100%      B: 80%-89%      C: 70%-79%  
D: 60%-69%      F: below 60%
7. "You earn what you get and ONLY get what you earn." There is no point rounding or extra credit. Please don't ask.

**\*\*You can substitute your final exam score for your lowest exam 1-3 score unless you used it for a missing exam due to an authorized absence\*\***

## Academic Dishonesty Policy

Oklahoma State University is committed to the maintenance of the highest standards of integrity and ethical conduct of its members. This level of ethical behavior and integrity will be maintained in this course. Participating in a behavior that violates academic integrity (e.g., unauthorized collaboration on homework or assignments, plagiarism, multiple submissions of the same assignment, cheating on examinations, fabricating information, helping another person cheat, having unauthorized advance access to examinations, altering or destroying the work of others, and fraudulently altering academic records) will result in your being sanctioned. Violations may subject you to disciplinary action including the following: receiving a failing grade on an assignment, examination or course, receiving a notation of a violation of academic integrity on your transcript (F!), and being suspended from the University. You have the right to appeal the charge. Contact the Office of Academic Affairs, 101 Whitehurst, 405-744-5627, <http://osu.okstate.edu/acadaffr/aa/academicintegrity.htm>

## Students with Disabilities

Every effort will be made to create a positive learning environment for all students. Any students requiring special accommodations should contact the Student Disabilities Office as soon as possible.

## Course Schedule Changes:

The instructor reserves the right to modify the syllabus or course schedule as deemed necessary. If a change is made, it will be disseminated in class.

### Class Meeting Schedule (SPR 15: Econ 2103.702)

<u>WK/Day</u>	<u>Date</u>	<u>Topic</u>	<u>Due</u>
	M	12-Jan	1.1
1	W	14-Jan	1.2-1.4
			Video. Introduction to Sapling Learning Using the tools in Sapling Learning
2	M	19-Jan	<b>Martin Luther King Holiday</b>
	W	21-Jan	2.1-2.2
	M	26-Jan	2.3, 3.1
3	W	28-Jan	3.2
	M	2-Feb	3.3-3.4
4	W	4-Feb	3.5
5	M	9Feb	Review/ Problem Based Learning Exercise (PBLX)
	W	11-Feb	<b>Exam 1</b>
6	M	16Feb	4.1-4.2
	W	18Feb	5.1-5.2
7	M	23-Feb	5.3-5.4
	W	25-Feb	6.1-6.2
8	M	2-Mar	7.1-7.2
	W	4-Mar	7.3/ PBLX
9	M	9Mar	Review
	W	11-Mar	<b>Exam 2</b>
10		<b>17-21 March: Spring Break</b>	
11	M	23-Mar	8.1-8.2
	W	25-Mar	8.3, 9.1-9.2
12	M	30-Mar	10.1-10.2
	W	1-Apr	15
13	M	6-Apr	19.1-19.2
	W	8-Apr	19.4, 20.1
14	M	13-Apr	20.2-20.3
	W	15-Apr	PBLX
15	M	20-Apr	Review
	W	22-Apr	<b>Exam 3</b>
16	M	27-Apr	
	W	29-Apr	
17	M	4-May	<b>Final Exam, 2 PM, (CLB 219)</b>

## Dr. Mary J. McGlasson - MICRO Economics playlist

[Episode 2: Scarcity and Choice](#)  
[Episode 3: Resources](#)  
[Episode 4: Micro vs Macro](#)  
[Episode 5: Positive vs Normative](#)  
[Episode 6: Graph Review](#)  
[episode 7: Individual PPC](#)  
[Episode 8: Opportunity Cost](#)  
[Episode 9: Society's PPC](#)  
[Episode 10: PPC and Resource Changes](#)  
[Episode 11 - Demand](#)  
[Episode 12: Change in Demand vs Change in Quantity Demanded](#)  
[Episode 13: Supply](#)  
[Episode 14: Market Equilibrium](#)  
[Episode 15: Price Floors and Price Ceilings](#)  
[Episode 16: Elasticity of Demand](#)  
[Elasticity - Characteristics that determine elasticity](#)  
[Episode 17: Diminishing Marginal Utility](#)  
[Episode 18: Consumer Equilibrium](#)  
[Episode 20: Producer Theory](#)  
[Episode 20B - Short Run vs. Long Run Production](#)  
[Episode 21: Accounting Costs vs. Economic Costs](#)  
[Episode 22: Fixed and Variable Costs](#)  
[Episode 23: Cost Curves](#)  
[Episode 24: Do we really need all those diagrams?](#)  
[Episode 25: Market Structures](#)  
[Episode 26: Perfect Competition](#)  
[Episode 26B: Maximizing Profits](#)  
[Episode 27: Monopoly](#)  
[Episode 27B: Deadweight Loss from Monopoly](#)  
[Episode 28: Regulation](#)  
[Episode 29: Monopolistic Competition](#)  
[Episode 30: Oligopoly](#)  
[Episode 30A: Collusion](#)  
[Episode 30B: Antitrust](#)  
[Episode 30C: Mergers](#)  
[\(THE LOST EPISODES\) Market Structures for Buyers](#)  
[\(THE LOST EPISODES\) Factor Market Overview](#)  
[\(The Lost Episodes\) Perfectly Competitive Factor and Output Markets](#)  
[\(THE LOST EPISODES\) Perfectly Competitive Factor, Monopoly Output Market](#)  
[Episode 31: Market Failures](#)  
[Episode 34: Comparative Advantage & Trade](#)  
[Episode 35: Why do countries restrict trade?](#)  
[Episode 37: GATT/WTO](#)  
[Episode 36: Types of Trade Restrictions](#)  
[Episode 38: Trade Blocs](#)

# **Khan Academy**

## **Microeconomics Topics Classes**

1. [Opportunity Cost \(on PPF\)](#)
2. [Increasing Opportunity Cost](#)
3. [Allocative Efficiency and Marginal Benefit](#)
4. [Economic Growth through Investment](#)
5. [Comparative Advantage Specialization and Gains from Trade](#)
6. [Comparative Advantage and Absolute Advantage](#)
7. [Law of Demand](#)
8. [Price of Related Products and Demand](#)
9. [Changes in Income, Population, or Preferences](#)
10. [Normal and Inferior Goods](#)
11. [Inferior Goods Clarification](#)
12. [Law of Supply](#)
13. [Factors Affecting Supply](#)
14. [Market Equilibrium](#)
15. [Changes in Market Equilibrium](#)
16. [Price Elasticity of Demand](#)
17. [More on Elasticity of Demand](#)
18. [Perfect Inelasticity and Perfect Elasticity of Demand](#)
19. [Constant Unit Elasticity](#)
20. [Total Revenue and Elasticity](#)
21. [More on Total Revenue and Elasticity](#)
22. [Cross Elasticity of Demand](#)
23. [Elasticity of Supply](#)
24. [Elasticity and Strange Percent Changes](#)
25. [Demand Curve as Marginal Benefit Curve](#)
26. [Consumer Surplus Introduction](#)
27. [Total Consumer Surplus as Area](#)
28. [Producer Surplus](#)
29. [Rent Control and Deadweight Loss](#)
30. [Minimum Wage and Price Floors](#)
31. [Taxation and Dead Weight Loss](#)
32. [Percentage Tax on Hamburgers](#)
33. [Taxes and Perfectly Inelastic Demand](#)
34. [Taxes and Perfectly Elastic Demand](#)
35. [Marginal Utility](#)
36. [Equalizing Marginal Utility per Dollar Spent](#)
37. [Deriving Demand Curve from Tweaking Marginal Utility per Dollar](#)
38. [Budget Line](#)
39. [Optimal Point on Budget Line](#)
40. [Types of Indifference Curves](#)
41. [Economic Profit vs Accounting Profit](#)
42. [Depreciation and Opportunity Cost of Capital](#)
43. [Fixed, Variable, and Marginal Cost.](#)
44. [Visualizing Average Costs and Marginal Costs as Slope](#)
45. [Marginal Cost and Average Total Cost](#)
46. [Marginal Revenue and Marginal Cost](#)
47. [Marginal Revenue Below Average Total Cost](#)
48. [Long Term Supply Curve and Economic Profit](#)
49. [Perfect Competition](#)
50. [Monopoly Basics](#)
51. [Review of Revenue and Cost Graphs for a Monopoly](#)
52. [Monopolist Optimizing Price \(part 1\)- Total Revenue.](#)
53. [Monopolist Optimizing Price \(part 2\)- Marginal Revenue](#)
54. [Monopolist Optimizing Price \(part 3\)- Dead Weight Loss.avi](#)
55. [Optional Calculus Proof to Show that MR has Twice Slope of Demand](#)
56. [Oligopolies and Monopolistic Competition](#)
57. [Monopolistic Competition and Economic Profit](#)
58. [First Degree Price Discrimination](#)
59. [A Firm's Marginal Product Revenue Curve \(MRP\)](#)
60. [How Many People to Hire Given the MRP curve](#)

1Jan 15