

ECEC 203: Principles of Microeconomics

Prerequisite(s):

Credits: 3



I. Course Description

This course introduces students to basic economic principles and elements of business from an economic viewpoint. The course emphasizes how events and developments in the economy can affect the market and financial decisions of business. The course directs students to apply economic principles and fundamentals to business practice.

II. Course Objectives

At the end of this course, students will be able to:

1. Apply key terms in economics to real-world scenarios.
2. Analyze elements of business from an economist viewpoint.
3. Solve equations using economic formulas.
4. Use graphs appropriately to illustrate economic concepts
5. Apply various economic principles to business situations.
6. Use economic principles to conduct an economic analysis

III. Course Textbooks and Materials

***Students must purchase in advance texts and/or materials for this course.**

Survey of Economics, Principles, Applications, and Tools, 7th Edition

Arthur O'Sullivan, Steven M. Sheffrin, Stephen J. Perez

Print ISBN: 9780134089034

Note: *This text is also used in ECEC 204: Principles of Macroeconomics*

Module One – Week 1

Introduction and Principles of Economics

Objectives

At the end of this module, you should be able to:

- 1.1 List the three key economic questions.
- 1.2 Discuss the insights from economics for a real-world problem such as congestion
- 1.3 List the four elements of the economic way of thinking
- 1.4 List three ways to use macroeconomics
- 1.5 List three ways to use microeconomics
- 1.6 Apply the principles of opportunity cost
- 1.7 Apply the marginal principle
- 1.8 Apply the principle of voluntary exchange
- 1.9 Apply the principle of diminishing returns

1.10 Apply the real-nominal principle

Reading

Chapter 1: Introduction: What is Economics, pp 2 – 25

Chapter 2: The Key Principles of Economics, pp 26-44

Lecture

PowerPoint: Chapters 1 and 2

Deliverables

Discussion: Introduction (20 points)

Discussion: Economics and You (40 points)

Assignment: Exercises 1 – 10 (75 points)

Quiz (25 points)

Module Two – Week 2
Demand, Supply, and Elasticity

Objectives

At the end of this module, you should be able to:

- 2.1 Describe and explain the law of demand.
- 2.2 Describe and explain the law of supply.
- 2.3 Explain the role of price in reaching a market equilibrium.
- 2.4 Describe the effect of a change in demand on the equilibrium price.
- 2.5 Describe the effect of a change in supply on the equilibrium price.
- 2.6 Use information on price and quantity to determine what caused a change in price.
- 2.7 List the determinants of the price elasticity of demand.
- 2.8 Use price elasticity of demand to predict changes in quantity and total revenue.
- 2.9 Explain how the price elasticity of demand varies along a linear demand curve.
- 2.10 Define the income elasticity and cross-price elasticity of demand.
- 2.11 List the determinants of the price elasticity.
- 2.12 Use demand and supply elasticities to predict changes in equilibrium prices.

Reading

Chapter 3: Demand, Supply, and Market Equilibrium, pp 45 – 73

Chapter 4: Elasticity: A Measure of Responsiveness, pp 74 – 101

Lecture

PowerPoint Chapters 3 and 4

Deliverables

Discussion: Price Elasticity (40 points)

Assignment: Exercises 1 - 12 (75 points)

Quiz (25 points)

Module Three – Week 3
Production and Cost

Objectives

At the end of this module, you should be able to:

- 3.1 Define economic cost and economic profit.
- 3.2 Draw the short-run marginal-cost and average-cost curves.
- 3.3 Draw the long-run marginal-cost and average-cost curves.
- 3.4 Provide examples of production costs.
- 3.5 Distinguish between four market structures.
- 3.6 Explain the short-run output rule and the break-even price.
- 3.7 Explain the shut-down rule.
- 3.8 Explain why the short-run supply curve is positively sloped.
- 3.9 Explain why the long-run industry supply curve may be positively sloped.
- 3.10 Describe the short-run and long-run effects of changes in demand for an increasing-cost industry.
- 3.11 Describe the short-run and long-run effects of changes in demand for a constant-cost industry.

Reading

Chapter 5: Production Technology and Cost, pp 102 - 122

Chapter 6: Perfect Competition, pp 123 - 148

Lecture

PowerPoint Chapters 5 and 6

Deliverables

Discussion: Opportunity Cost (40 points)

Assignment: Exercises 1- 12 (75 points)

Quiz (25 points)

Module Four – Week 4
Monopoly and Price Discrimination

Objectives

At the end of this module, you should be able to:

- 4.1 Describe and explain a monopolist's output decision.
- 4.2 Identify the trade-offs associated with a patent.
- 4.3 Describe the practice of price discrimination.

Reading

Chapter 7: Monopoly and Price Discrimination, pp 149 – 164

Lecture

PowerPoint Chapter 7

Deliverables

Discussion: Price Discrimination (40 points)

Assignment: Exercises 1 - 10 (75 points)

Quiz (25 points)

Module Five – Week 5
Market Entry, Monopolistic Competition, Oligopoly

Objectives

At the end of this module, you should be able to:

- 5.1 Describe and explain the effects of market entry.
- 5.2 List the conditions for equilibrium in monopolistic competition.
- 5.3 Contrast monopolistic competition and perfect competition.
- 5.4 Explain why a price-fixing cartel is difficult to maintain.
- 5.5 Explain the effects of a low-price guarantee.

Reading

Chapter 8: Market Entry, Monopolistic Competition, and Oligopoly, pp 165 - 207

Lecture

PowerPoint Chapter 8

Deliverables

Discussion: Market Entry (40 points)

Assignment: Exercises 1 - 10 (75 points)

Quiz (25 points)

Module Six – Week 6
Imperfect Information, External Benefits, and External Costs

Objectives

At the end of this module, you should be able to:

- 6.1 Explain the notion of adverse selection for buyers.
- 6.2 Discuss the possible responses to adverse selection for buyers.
- 6.3 Explain the notion of adverse selection for sellers.
- 6.4 Explain the notion of moral hazard.
- 6.5 Define a public good and the free-rider problem.
- 6.6 Use the marginal principle to describe the optimum level of pollution.
- 6.7 Describe the role of taxation in promoting efficient environment policy.
- 6.8 Explain the superiority of taxation over traditional regulation.

Reading

Chapter 9: Imperfect Information, External Benefits, and External Costs

Lecture

Power Point Chapter 9

Deliverables

Discussion: Fireworks (40 points)

Assignment: Exercises 1 - 10 (75 points)

Quiz (25 points)

Module Seven – Week 7

The Labor Market and the Distribution of Income

Objectives

At the end of this module, you should be able to:

- 7.1 Explain why competition generates wages equal to marginal revenue product.
- 7.2 Explain why an increase in the wage could increase, decrease, or not change hours worked.
- 7.3 Explain why wages differ across occupations and the levels of human capital.
- 7.4 Describe recent changes in the distribution of income.
- 7.5 Describe the effects of government policies on poverty and the distribution of income.

Reading

Chapter 10: The Labor Market and the Distribution of Income, pp 247 - 271

Lecture

PowerPoint Chapter 10

Deliverables

Discussion: Real Wages (40 points)

Assignment: Exercises 1 - 10 (75 points)

Quiz (25 points)

V. Course Information and Grading

Course Requirements (Weekly)

Each lesson will be based on the inclusion and grading of the following segments: Discussion Boards, Assignments and Quizzes.

Class Discussions

Successful online learning requires active and meaningful participation in the Discussion Board Forum. Critical thinking, appropriate use of judgment and professional comments are required for all responses. Simple agreement or disagreement with a fellow student does not constitute a quality response. Student opinions are important but must be supported by relevant data obtained in the literature or text.

1. One initial discussion board post is due by the fourth day (Thursday @ 11:59 pm) of each weekly module and two response posts are due by the last day (Sunday @ 11:59 pm) of each weekly module.
 - a. Undergraduate Word Count Requirements:
 - i. Initial post must be >200 words
 - ii. Responses must be >150 words
 - b. Graduate Word Count Requirements:
 - i. Initial post must be >250 words
 - ii. Responses must be >200 words
2. Participation – Students must meet initial and response post deadlines to be eligible for full points. Late initial posts may be accepted with a 33% reduction in the overall score assessed for each day late. Two response posts are required. If only one is received, then the overall score will be reduced by 25%. If no response posts are received, then the overall score will be reduced by 50%.
3. Students should be respectful and write in a proper and professional manner.

Please refer to the Discussion Board Rubric located within course syllabus for specific requirements and guidance on delivering a substantial discussion.

Late and Make-up Assignments

All deliverables are due by 11:59 PM on the due dates indicated. When substantive emergencies occur, acceptance of late submissions is left to the discretion of the course instructor.

Assignments that are submitted after the due date with prior written approval (text or email) from the instructor may receive the following deductions:

1. Late assignments are subject to a deduction of 10% of the available points for each day late.
2. Assignments submitted later than one week after due date will not be accepted and will receive a zero (0).
3. No work may be submitted after the last day of the course.
4. See Class Discussions for late discussion post policy.

Written Work

- All graded assignments must be typewritten, as designated by the professor of record for the course.
- All referenced materials must be presented according to the Publication Manual of the American Psychological Association (APA), based on the most current published edition. (current, 7th edition) (Except for English courses that specify use of MLA format.)
- All required written assignments are due on the last night of each lesson week at 11:59pm EST. This information is included in the course scheduler and calendar of every course.
- All written and graded assignments are considered the property of the College of Adult and Professional Studies and should be returned to the appropriate professor of record for the related course.
- SafeAssign may be used to check for plagiarism.

Grading Scale and Assigned Letter Grades

Charleston Southern Online Undergraduate classes follow the following numerical and letter grading scale. Grades will be posted by the Sunday night following the closing of the lesson. No grades will be given to students over the phone.

A = 90-100

B+ = 87-89

B = 80-86

C+ = 77-79

C = 70-76

D = 60-69

F = <60