

Principles of Microeconomics (ECON 261)

Syllabus – Fall 2021

Instructor: Dr. Trent McNamara

Lecture Times: MWF 10:00am – 10:50am @ MBB 215

Office Hours: Monday 1:30pm - 3:00pm & Thursday 10:00am - 12:00pm

Office: MBB 252

Email: tgm21a@acu.edu

Course Description

In this course, we study the behaviors of consumers, households, and firms. Our analysis of these individual decision-makers focuses on identifying how they make decisions, how decisions between these entities relate to each other, determining relative prices of goods and factors of production, and understanding quantities of goods and services that are bought and sold in an economic environment. In a world of scarce resources, these concepts help us determine the primary mechanism through which these scarce resources are allocated.

Student Learning Outcomes

In *Principles of Microeconomics*, you will learn many of the basic models used to study the behaviors of decision-makers and the application of these models to real-world principles.

Among other skills, you will learn about the incentives that underlie basic models of supply, demand, and their equilibrium; we learn about elasticity and its relation to the real-world; you will be able to analytically determine and predict how government interventions impact the allocation of limited resources; you will learn how firms react in different types of market environments and how this leads to potentially very different prices.

Course Contribution to Overall Business Perspective

Microeconomics at its core is the study of how the most granular entity – a person – makes decisions. As such, we focus on learning and understanding what incentivizes people to make the decisions they do. From a business perspective, this framework allows us to think of business problems from the perspective of consumers giving us greater insight and predictive power about how they might respond to business decisions (price changes, promotions, product bundling, etc). From a government perspective, we can predict the impact of various policies allowing us to make informed decisions before implementing nationwide changes leading to a more efficient allocation of resources.

Course Contribution to Christian Service and Leadership

As we build on our primary models, we learn how decisions of individuals, businesses, and governments positively and negatively impact each other. Individual choices have impacts on others. Looking at these tradeoffs with a focus on biblical principles and ethics allows us to think about the many difficult economic problems with an eye towards serving God.

The COBA Mission

“To educate students for Christian service and leadership throughout the world.” – ACU Mission

“To educate business and technology professionals for Christian service and leadership throughout the world.”

The COBA Mission Statement

We educate business and technology professionals for Christian service and leadership throughout the world. This mission is accomplished through:

- **Holistic student learning and development** – We seek spiritual, academic, and professional growth over the life of each student through exemplary teaching, experiential learning, and relationships with Christian faculty, professional staff, and engaged alumni.
- **Research and innovation** – We engage faculty, staff, and students in scholarly and practitioner research as well as innovation and entrepreneurship that impacts the university, academy, church, industry, and society.
- **Service and leadership** – We marshal the resources, gifts, and diversity of this Christian community to meaningfully serve and lead in the university, academy, church, industry, and society.

Text and Supplements

The following texts and classroom resources will be used in the course:

Text: Modern Principles: Microeconomics 5th Edition by Cowen and Tabarrok (Macmillan)
ISBN: 9781319329785

You need the Achieve access code! For reference, please follow this [link](#) to register for access to Achieve. Homework will be assigned through Achieve so it is necessary for course completion.

Grade Determination

Grades are determined by homework, three midterms, and a final exam. Final grades will be assigned A=[90-100], B=[80-90), C=[70-80), D=[60-70), F=[0-60). Homework is worth 15% of your grade. It will be an online Achieve assignment and you will have unlimited attempts. The goal is for you to learn the material and make a good grade. You may work on the homework by yourself or within a group.

Regarding midterms and the final, I offer two alternative grading schemes. **You will automatically receive the higher of the two.**

- In the first, each midterm will be worth 20% and the final 25%.
- In the second, each midterm will be worth 10% and the final 55%.

Midterms are comprehensive and will take place in class. Unless otherwise stated, no outside material will be allowed during exams.

This course serves as a prerequisite for other courses in ACU's College of Business. If you are pursuing a degree in the College of Business, you must earn a grade of C or better in order for the course to satisfy the prerequisite requirement.

Attendance/ Late Assignments/Missed Exams:

The University views class attendance as the responsibility of an individual student. Attendance is essential to complete the course successfully. University rules related to excused and unexcused absences are located online.

If a student accrues more than nine absences (20% of the class), the student will receive an "F" as a final grade. If for an extended period of time a student becomes too ill to engage the course material, the

student and professor will work with SOAR to develop and plan that ensures the student's academic and physical well-being.

No late assignments will be accepted under any circumstances since they will be available online and can be completed at any time. If you miss an exam due to a university-excused absence then you must notify me within 48 hours and present written documentation in order to receive a make-up exam.

ADA Compliance Policy: Abilene Christian University is dedicated to removing barriers and opening access for students with disabilities in compliance with ADA and Section 504 of the Rehabilitation Act. The Alpha Scholars Program facilitates disability accommodations in cooperation with instructors. In order to receive accommodations, you must be registered with Alpha Scholars Program, and you must complete a specific request for each class in which you need accommodations. If you have a documented disability and wish to discuss academic accommodations, please call our office directly at (325) 674-2667 or email alpha@acu.edu. Alpha also houses tutors for this class. If you are struggling, get help early.

Anti-Harrasmennt Policy: As a professor, one of my responsibilities is to help create a safe learning environment on our campus. I also have a mandatory reporting responsibility related to my role as a professor. It is my goal that you feel able to share information related to your life experiences in classroom discussions, in your written work, and in our one-on-one meetings. I will seek to keep the information you share private to the greatest extent possible. When I am not able to keep your information confidential, I will only share it with responsible administrators on campus who can provide you with services and resources. I am required to share with the Title IX Coordinator information regarding sexual misconduct or harassment, dating or domestic violence or stalking that you report to me. If you would prefer to share information in a confidential setting, I encourage you to speak with someone in the [ACU Counseling Center](#). All of your options are available for review by clicking on the [link](#) to ACU's policy.

Academic Integrity

COBA Honor Code

Objective: COBA faculty, staff and students will strive to proclaim in their lives competence, character and community. In joining COBA, students, faculty, and staff covenant to abide by the following ethical principles.

Competence: To lead and serve well requires competence. And to become competent requires diligence and hard work. We owe it to all who have prepared the way and who will follow in our footsteps, to be good stewards of opportunities and resources. Thus, in all you do: set priorities, seek excellence and professionalism in your work, satisfy requirements, and take responsibility for your learning and performance. You cannot build competence if you lie, cheat, steal, or tolerate those who do.

Character: A reputation of good character is built slowly through testing, yet can be destroyed in an instant by compromise or careless work, just as it can through injustice. Guard your character; it is worth more than a grade or promotion. "A good name is more desirable than great riches; to be esteemed is better than silver or gold" (Proverbs 22:1). You cannot build character if you lie, cheat, steal, or tolerate those who do.

Community: A spirit of fellowship and mutual encouragement holds each community member accountable. Accountability leads to a healthy community through adequate preparations for the tasks at hand, respectful truthfulness in all situations, and adding value to the tasks at hand. As a community, we must hold each other accountable to the principles of competence, character, and community. You cannot build community if you lie, cheat, steal, or tolerate those who do.

COBA supports ACU's Academic Integrity Policy

(www.acu.edu/campusoffices/campuslife/acad_integrity.html). This important policy offers examples of academic infractions and a process for assigning consequences and voicing appeals. Ignorance of this policy is never an excuse. Individual instructors will define course specific definitions, however, in general you should avoid:

- 1) **Plagiarism** - Copying or even paraphrasing words or ideas from another source (including current or past students) without giving adequate credit.
- 2) **Lying** - Inventing data or sources or making false attributions about the origin of material or offering a deceptive reason for an absence or delay in the completion of academic work.
- 3) **Cheating** - Facilitating or participating in any process that circumvents the intent of any exam, test, quiz, paper, or assignment.

Any dishonest act observed or reported will be investigated and if proven, be reported in administrative offices and records, and may be subject to any or all of the following outcomes based on severity:

- 1) A zero for the assigned work, 2) A failing grade for the course, 3) Dismissal from the university

Tentative Class Schedule

DATE	TOPICS
M Aug 23	Syllabus and Introduction
W Aug 25	Chapter 1 – The Big Ideas
F Aug 27	Chapter 1 – The Big Ideas
M Aug 30	Chapter 2 – Trade and Comparative Advantage (Math Review and Survey Due)
W Sep 1	Chapter 2 – Trade and Comparative Advantage
F Sep 3	Chapter 2 – Trade and Comparative Advantage (HW1 Due)
M Sep 6	Chapter 3 – Supply and Demand
W Sep 8	Chapter 3 – Supply and Demand
F Sep 10	Chapter 3 – Supply and Demand (HW2 Due)
M Sep 13	Chapter 4 – Equilibrium
W Sep 15	Chapter 4 – Equilibrium
F Sep 17	Chapter 4 – Equilibrium (HW3 Due)
M Sep 20	Chapter 5 – Elasticity
W Sep 22	Chapter 5 – Elasticity
F Sep 24	Chapter 5 – Elasticity (HW4 Due)
M Sep 27	Midterm #1 Review
W Sep 29	Midterm #1 (covers chapters 1-5)
F Oct 1	Chapter 6 – Taxes and Subsidies
M Oct 4	Chapter 6 – Taxes and Subsidies
W Oct 6	Chapter 6 – Taxes and Subsidies
F Oct 8	Chapter 8 – Price Ceilings and Price Floors (HW5 Due)
M Oct 4	Chapter 8 – Price Ceilings and Price Floors
W Oct 6	Chapter 8 – Price Ceilings and Price Floors
F Oct 8	Chapter 10 – Externalities (HW6 Due)
M Oct 11	Chapter 10 – Externalities
W Oct 13	Chapter 10 – Externalities
F Oct 15	Chapter 19 – Public Goods (HW7 Due)

M Oct 18	Chapter 19 – Public Goods
W Oct 20	Midterm #2 Review
F Oct 22	Fall Break (HW8 Due)
M Oct 25	Midterm #2 (covers chapters 6, 8, 10, 19)
W Oct 27	Chapter 11 – Costs, Profits, and Competition
F Oct 29	Chapter 11 – Costs, Profits, and Competition
M Nov 1	Chapter 11 – Costs, Profits, and Competition
W Nov 3	Chapter 11 – Costs, Profits, and Competition
F Nov 5	Chapter 11 – Costs, Profits, and Competition
M Nov 8	Chapter 13 – Monopoly (HW9 Due)
W Nov 10	Chapter 13 – Monopoly
F Nov 12	Chapter 13 – Monopoly
M Nov 15	Chapter 13 – Monopoly
W Nov 17	Chapter 15 – Oligopoly
F Nov 19	Chapter 15 – Oligopoly (HW10 Due)
M Nov 22	Chapter 15 – Oligopoly
W Nov 24 – 26	Thanksgiving Break
M Nov 29	Midterm #3 Review (HW11 Due)
W Dec 1	Midterm #3 (covers chapters 11, 13, 15)
F Dec 3	Final Exam Review
M Dec 6	Dead Day
W Dec 8 - 10	Final Exam (covers all course material)