ECON 201 Principles of Microeconomics
Online Fall 2017
Syllabus

Instructor Information

Professor: Kathryn Birkeland, Ph.D.
Email: Kathryn.Birkeland@usd.edu (please do not use the CourseMail feature in D2L)
Phone: 605-658-6554 (email is a better way to contact me)
Office: Beacom Hall room 213
Office hours: 12pm – 1pm central time on Wednesdays using Collaborate Ultra
Online section: U820T

Course Information

Catalog Description:
Principles of Microeconomics studies basic economic concepts as they relate to consumer, worker, and business decisions. Emphasis is given to satisfaction maximizing behavior by individuals and profit maximization by firms. Market structures are thoroughly analyzed regarding their effect on price, output, and competitiveness.

Prerequisites:
This course has no prerequisites.

Required Textbook and Courseware:
The textbook we’ll be using is Principles of Microeconomics by Dirk Matteer and Lee Coppock.
ISBN: 978-0-393-61408-4 (ebook or paperback)
The required courseware we’ll be using is SmartWork and InQuizitive. The information on how to register, how to pay, and whether to buy a physical textbook is at the end of this syllabus.

General Education:
This class fulfills the following Goal of the South Dakota System General Education Requirements:
GOAL #3: Students will understand the organization, potential, and diversity of the human community through study of the social sciences.
Student Learning Outcomes: As a result of taking courses meeting this goal, students will:
1. Identify and explain basic concepts, terminology, and theories of the selected social science disciplines from different spatial, temporal, cultural and/or institutional contexts,
2. Apply selected social science concepts and theories to contemporary issues, and
3. Identify and explain the social or aesthetic values of different cultures.
4. The allocation of human or natural resources within societies,
Course Outline

Section 1: Introduction and How Markets Work

Required Reading:
- Chapter 1: Five Foundations of Economics
- Chapter 2: Model Building and Gains from Trade
- Chapter 3: The Market at Work: Supply and Demand
- Chapter 4: Elasticity
- Chapter 5: Market Outcomes and Tax Incidence

Learning Objectives:
After completing this section of the course, a student will be able to:
1. Define economics and the distinction between micro and macroeconomics.
2. Recognize how the trade-offs and opportunity cost affect the decisions made in the economy.
3. Evaluate statements to determine if they are positive or normative in nature.
4. Explain how a market economy can efficiently organize economic activity through the price system.
6. Distinguish between normal and inferior goods; distinguish between substitutes and complements.
7. Define market equilibrium and identify it graphically and numerically in an example.
   Using a demand and supply model, evaluate the effects of shifts of demand and supply on equilibrium price and quantity.
8. Define market surplus and shortage, illustrate the concept numerically and graphically, and explain the market response to surpluses and shortages.
9. Define price elasticity of demand, calculate the price elasticity of demand, and interpret the results as "elastic", "inelastic" or "unit elastic".
10. Relate elasticity of demand to the effect of a price change on total revenue, and use this relationship to justify a pricing decision. Relate the determinants of elasticity of demand to the value of the elasticity of demand.
11. Define and calculate consumer and producer surplus. Use a demand and supply model to demonstrate these concepts, including how surplus changes when price changes.
12. Determine when total surplus is maximized, including a comparison of the marginal benefits to consumers and the marginal cost to producers.
13. Compare the concepts of efficiency and equity.
14. Determine how a tax levied on either producers or consumers affects market outcome.
15. Use a demand and supply model to evaluate the impact of a tax on producer and consumer surplus, as well as total surplus. Define dead weight loss.
16. Define tax incidence and evaluate the incidence of a tax on producers or consumers, including understanding what impacts the incidence of a tax. Use a demand and supply model to illustrate.

Exam 1 will be open from September 28th at 8am through September 30th at 11pm central time.
Section 2: Markets and Firms

Required Reading:
- Chapter 6: Price Controls
- Chapter 7: Market Inefficiencies: Externalities and Public Goods
- Chapter 8: Business Costs and Production
- Chapter 9: Firms in a Competitive Market
- Chapter 10: Understanding Monopoly
- Chapter 11: Price Discrimination

Learning Objectives:
After completing this section of the course, a student will be able to:
1. Define price ceilings and price floors, illustrate the concept numerically and graphically, and explain the market response to price controls.
2. Explain the economic impact of a minimum wage.
3. Identify when public policy may improve market outcomes. Specifically, define market failure; and the market failures of market power and externalities. Explain government’s response to these market failures.
4. Explain how externalities are responsible for a difference between social and private costs, and social and private benefits.
5. Create and explain a solution to common market failures.
7. Define AFC, AVC, ATC and MC and analyze the relationships between them (in both a numerical and graphing framework).
8. Determine the profit maximizing level of output for a competitive firm by using the profit-maximization rule (for a numerical or graphical example).
9. Define the long-run equilibrium for a competitive firm and illustrate how the long run adjustments of entry and exit of firms lead the firm to that equilibrium.
10. Determine the profit maximizing level of output for a monopoly firm by using the profit-maximization rule (for a numerical or graphical example).
11. Define the long-run equilibrium for a monopoly firm and illustrate how the long run adjustments of entry and exit of firms lead the firm to that equilibrium.
12. Recognize the conditions and consequences of price discrimination and use examples to explain.
13. Explain how price discrimination could increase total surplus in the market.

Exam 2 will be open from November 2nd at 6am through November 4th at 11pm central time.

Section 3: Strategic Firms and Resource Markets

Required Reading:
- Chapter 12: Monopolistic Competition and Advertising
- Chapter 13: Oligopoly and Strategic Behavior
- Chapter 14: The Demand and Supply of Resources
Learning Objectives:
After completing this section of the course, a student will be able to:
1. Determine the profit maximizing level of output for a monopolistically competitive firm by using the profit-maximization rule (for a numerical or graphical example).
2. Explain the value of advertising in a monopolistically competitive market.
3. Determine the profit maximizing level of output for an oligopoly firm by using the profit-maximization rule (for a numerical or graphical example).
4. Identify and compare the characteristics of pure competition, monopoly, oligopoly and monopolistic competition including the differences in the long-run equilibrium price and quantity.
5. Explain oligopoly behavior – including collusion, and the use of game theory and dominant strategy.
6. Explain and calculate the labor demand of a competitive, profit-maximizing firm.
7. Summarize the household decisions that lie behind labor supply.
8. Explain why equilibrium wages equal the value of the marginal product of labor, and describe how wages compensate for differences in job characteristics.
10. Explain why wages rise above the level that balances supply and demand.
11. Recognize why it is difficult to measure the impact of discrimination on wages, and identify when market forces can and cannot provide a natural remedy for discrimination.
12. Recognize the degree of economic inequality in our society.
13. Identify some problems that arise when measuring economic inequality.
14. Identify the various policies aimed at helping poor families escape poverty.
15. Explain the concept of utility and how economists model consumer choice.

Exam 3 will be open from December 7th at 6am through December 13th at 11pm central time.

Dr. B’s Policies and Expectations

Communication:
I use email as a main communication tool. You must be able to access your USD email account. You are expected to check your USD email account regularly (multiple times per week). **If you do not regularly check your USD account, please make sure it is forwarded to an account you do check!**

When you email me, you can expect a response within 24 hours during the week. On the weekends, my responses may take longer. Please use my USD email address (Kathryn.birkeland@usd.edu) not the Course Mail feature in D2L. Please include ECON 201 online in the subject of your email.

Desire2Learn:
The course uses Desire to Learn (D2L) for all course information, lecture notes, homework assignments, and grades. You can access D2L through the MyU portal or at [https://d2l.sdbor.edu/](https://d2l.sdbor.edu/). You should check the website for this course in D2L multiple times per week. D2L has a feature that allows for instant
notifications of news announcements via email or text message. If you sign up for instant notifications of news items and forward one of the notifications to me, you can earn five bonus points. It must be a notification from ECON 201 during the first three weeks.

Time Commitment:
Success in any course, but particularly in an economics course, is highly correlated with class participation. This is especially true of my courses. While this is an online class, it does not mean it is a self-paced or correspondence-like course. Each week you will be required to complete a number of tasks as outlined in the schedule on D2L.

If we were meeting face to face for this course we would meet for 3 hours each week and you would have reading and homework to do every week. Luckily this online format offers flexibility (perhaps you are working during the day or at night). The course is set up to allow you to choose what time of day you will participate. However, this does not diminish the time commitment. Taking a 3 credit course means you must set time aside for the course. You will need to find time to read a significant amount each week along with homework assignments and exams. I anticipate it will take you 9-12 hours per week to do well in this course. Please make sure to schedule enough time.

Online Classtime:
Each week, I will post lecture videos over the material covered that week. In addition, I will hold online virtual office hours on Wednesdays from 12:00pm – 1:00pm central time. These sessions will cover additional material and provide practice exercises. The sessions will be conducted using Collaborate which you can access in D2L under the Communications menu. The virtual office hours are not required but STRONGLY recommended. The sessions will be recorded for you to view at a later time if your schedule does not allow you to participate live.

Late Assignments:
Late assignments are not accepted. Homework assignments are submitted through SmartWork which has a deadline.

Make-up Assignments:
Make-up work is available only in the most extenuating circumstances. Please email me as soon as you expect you might need to use the make-up policy. You must email me prior to the end of the exam period if you have extenuating circumstances that require a time extension or make-up exam.

Technology:
The University of South Dakota has established minimum technology requirements for participation in online courses. These are outlined under the “Technology Support and Requirements” section in the CDE Online Orientation document in the Getting Started section of the course homepage.

This course makes use of Collaborate Ultra, a web-conferencing solution, for the live lectures/office hours. At a minimum, you will need headphones or speakers for listening to the lecture videos and office hour sessions. If you plan on participating (talking) in the live sessions, it is recommended that you purchase a USB multimedia headset—earphones with a microphone—so that you can ask questions instead of typing them.
Assignments

Exams:
This course includes **three** required exams. The exams include multiple choice, true/false, calculation, and short-answer questions. You can access each exam under the “quizzes” feature on the top of the D2L site. You have 60 minutes to take each exam and only one attempt. D2L will not lock you out of the exam after 60 minutes. If you take more than 60 minutes to complete the exam, I will deduct points accordingly. Make sure to save your answers while you are taking the exam. Exams 1, 2, and 3 will cover only the material in the related module of the course. Exam grades will be posted to D2L within two weeks of the exam.

Exams must be taken in a proctored environment and on a computer using the "RESPONDUS BROWSER LOCKDOWN" program. There are no exceptions. You can download and install RESPONDUS once the semester begins. You now have two options: a live proctor or a web-cam proctoring software.

A live proctored exam environment means you either need to take the exams at a pre-approved University Center (Sioux Falls, Pierre, Rapid City), the Continuing Education Office on campus at USD, or with an approved proctor. You are not required to use a University Center location, but that will likely be much more convenient. If you are not using a University Center, you MUST complete a proctor form (posted on D2L). Your proctor will oversee the administration of your exam. Information is posted on our D2L site and the CDE website about how to get a proctor. Your proctor must be approved by USD before you can take the exams. Make sure you allow sufficient time to process your proctor form! You should complete the proctor form in the first two weeks of the semester to make sure you are ready for the exams. If you are a Vermillion student, you are required to use the USD Testing Center if you want a live proctor.

This semester we can use of Respondus Monitor. This program allows for web-cam proctoring of your exam. You will need a web-cam to use the program. It needs to be an external webcam (not the one included in your laptop). Information on how to use the Monitor program instead of a live proctor are available on D2L. You need to inform me ahead of time if you plan to use the web-cam proctoring.

Homework Assignments:
During the semester, you will complete required homework assignments for each chapter covered. Homework assignments are completed using the SmartWork courseware. There will be a homework assignment **every** week. Homework assignments are due on Thursdays at 11pm central time. The schedule on D2L includes which chapters are covered by each SmartWork homework assignment. Assignments are graded immediately after the due date.

Participation:
For each chapter, there are questions on the reading material using InQuizitive. The points are participation and the value is in your increased learning.

Grading:
Your grade in this course is determined based on the points accumulated. The total points available during the course are as follows:
### Item and Points

<table>
<thead>
<tr>
<th>Item</th>
<th>Points</th>
<th>Total Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section Exams</td>
<td>3 @ 200 points each</td>
<td>600 points</td>
</tr>
<tr>
<td>Homework assignments</td>
<td>SmartWork % score x 450 points</td>
<td>480 points</td>
</tr>
<tr>
<td>Participation</td>
<td>InQuizitive % score x 100 points</td>
<td>120 points</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>1200 points</strong></td>
</tr>
</tbody>
</table>

Course grades will be determined by the following grading scale:

<table>
<thead>
<tr>
<th>Letter Grade</th>
<th>Points</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>1080 - 1200</td>
<td>90% - 100%</td>
</tr>
<tr>
<td>B</td>
<td>960 - 1079</td>
<td>80% - 89.9%</td>
</tr>
<tr>
<td>C</td>
<td>840 - 959</td>
<td>70% - 79.9%</td>
</tr>
<tr>
<td>D</td>
<td>720 - 839</td>
<td>60% - 69.9%</td>
</tr>
<tr>
<td>F</td>
<td>&lt; 720</td>
<td>Below 60%</td>
</tr>
</tbody>
</table>

### University Policies

**SD Board of Regents Statement on Freedom in Learning:**
Under Board of Regents and University policy student academic performance may be evaluated solely on an academic basis, not on opinions or conduct in matters unrelated to academic standards. Students should be free to take reasoned exception to the data or views offered in any course of study and to reserve judgment about matters of opinion, but they are responsible for learning the content of any course of study for which they are enrolled. Students who believe that an academic evaluation reflects prejudiced or capricious consideration of student opinion or conduct unrelated to academic standards should contact the Dean of the Beacom School of Business to initiate a review of the evaluation.

**University Policy for a Dishonest Assignment:**
No credit can be given for a dishonest assignment. A student found to have engaged in any form of academic dishonesty may, at the discretion of the instructor, be:
   a) Given a zero for that assignment.
   b) Allowed to rewrite and resubmit the assignment for credit.
   c) Assigned a reduced grade for the course.
   d) Dropped from the course.
   e) Failed in the course.

**Student Academic Misconduct Policy**, **Map**, **Academic Misconduct Form**, and **Academic Appeals Form**.

**ADA Statement:**
Any student who feels he/she may need academic accommodations or access accommodations based on the impact of any disability should contact and register with the Office of Disability Services during the first week of class. Please contact both me and the Director of the Office of Disability Services (Services Center North Room 119B; 605-677-6389; disabilityservices@usd.edu), Ms. Ernetta L. Fox, Director, to make these arrangements as early as possible in the semester.

[http://www.usd.edu/disabilityservices](http://www.usd.edu/disabilityservices)
Withdrawal Policy:
The last day to drop a full term class with a full refund and without having the class recorded on your academic record is **August 31, 2017**. The last day to drop a full term class with a grade of “W” is **November 3, 2017**.
The instructor of a course may drop a student for non-attendance or non-participation provided the student is in violation of the official attendance policy or participation policy of the course. Instructor initiated drops are at the instructor's option, but they must be submitted to the Registrar's Office by **November 3, 2017** and be approved by the dean of the college or school in which the course is offered. The student is notified by the Registrar's Office that he/she has been dropped from the course. The grade assigned is in accord with the drop policy for student initiated drops. **I reserve the right to drop you from the course for non-participation in any of the required elements of the course.**

Excused Absence Policy
When necessary, make-up of course requirements missed because of student participation in University sanctioned events and activities shall be worked out between the instructor and the student upon the student’s timely initiative. For a University related event, a student must contact his/her instructor at least two days prior to the absence and provide documentation from the sponsoring unit indicating the dates that the student will be absent from class.

To the extent possible, students should notify the instructor during the first week of the semester of possible missed dates. Instructors are required to allow for such make-up in a timely manner when a student is absent because of participation in events approved by the Vice President for Academic Affairs. An instructor may have special attendance/requirement policies for particular classes, whenever those policies are not in conflict with the student’s right to make up missed requirements as described above.

Diversity and Inclusive Excellence Statement:
The University of South Dakota strives to foster a globally inclusive learning environment where opportunities are provided for diversity to be recognized and respected. [USD Diversity and Inclusiveness Statement](#)

The Beacom School of Business is committed to USD’s Inclusive Excellence initiatives. We are committed to cultivating an environment of Inclusive Excellence at all levels of the school. We are committed to graduating globally and culturally aware business students who are equipped with the tools to embrace and practice inclusiveness.

**Beacom School of Business at the University of South Dakota Mission Statement:**
Our primary mission is excellence in undergraduate and graduate education that develops successful future business leaders. We deliver high value to our students, employers and community through distinctive teaching and learning supported by significant intellectual and professional contributions and meaningful service.

**Beacom School of Business Undergraduate Exit Exam (USD Business Majors Only):**
The material presented in this course is part of the common body of knowledge for this discipline. Mastering the information presented in this course lays the foundation for your future success as a knowledgeable, well-rounded business professional. The course is designed to encourage you to commit this valuable information to your long-term memory. In addition to demonstrating mastery of this information throughout the course, you will also be required to demonstrate your retention of this
critical common body of knowledge by achieving a satisfactory score on the Beacom School of Business’s exit exam which is part of BADM 482 Business Policy and Strategy. Achieving a satisfactory score on the exit exam is a graduation requirement. This applies to all Business majors (BBA programs).

**Student Code of Ethics:**
Students enrolled at the Beacom School of Business are expected to maintain the highest standards of integrity and ethical principles and to adhere to the [Student Code of Ethics](#) developed and approved by Beacom School of Business students. This Code provides a frame of reference for the behavior of Beacom School of Business students in their personal, academic, and professional activities.

**Privacy of Student Records**
The Family Educational Rights and Privacy Act of 1974 (FERPA) provides that each student’s educational records remain private. No individual or group outside the educational institution shall have access to nor will the institution (including professors) disclose students’ educational records without written consent of the students. Because the professor cannot ensure that the student is the only one with access to the student’s email account, grades will not be provided via email. The student may access his/her final grade using WebAdvisor.

**Disclaimer:**
The schedule and procedures in this syllabus are subject to change in the event of extenuating circumstances.

**Learning and Study Suggestions**

Economics is not a subject that can simply be "memorized". The application, interpretation, and evaluation of concepts and models are fundamental to learning economics. The following are some suggestions for learning and study. You will have to determine what works best for you.

1. Log-on for the live class lectures. The lecture and class activities will emphasize what I feel is important, and you can develop a set of notes from which to study.
2. Ask questions!! Your questions and comments during the live sessions and the discussion posts help not only yourself but others to learn and understand. Be an active participant in class discussions. If you are struggling, please contact me for additional help.
3. Read the text, preferably before the material is reviewed in class. You may not fully understand the material the first time you read it that is why you need to participate in the Collaborate lecture so I can explain it further.
4. Study with others in class - there is much you can learn from each other.
5. Practice. Work problems on the homework and the practice quizzes for each chapter in D2L.
6. Don't fall behind – consistent effort is necessary, not sporadic cram sessions.
How to access your electronic course materials

Instructor: Kathryn Birkeland
Start Date: 08/21/2017

Registration
SmartWork and InQuizitive are part of Norton, which allows you to sign in to a single site to access your materials and courses.

Connect at https://digital.wwnorton.com/prinecomi2

Payment
For this course, you are required to have access to SmartWork. You are not required to have a physical textbook.

You have the following options for purchase:

1. You can purchase access to the electronic textbook, SmartWork, and InQuizitive online through the Norton website (link is on our D2L course or here: https://digital.wwnorton.com/prinecomi2). This option does not have a physical textbook.
2. You can purchase a physical textbook from the USD bookstore with access code for SmartWork and InQuizitive. This does not include an electronic textbook.
3. You can purchase access to only SmartWork and InQuizitive through the Norton website (link: https://digital.wwnorton.com/prinecomi2). You would then need to purchase a physical textbook from some other source.

You do not have to make the decision about how to pay right away. You can use SmartWork and InQuizitive without paying for 21 days at the beginning of the semester during the grace period.