

# NCPACE

## ECON 2302 Syllabus

### Microeconomics

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#### Course Description

The principles of microeconomics are presented. Topics include the theory of demand, supply, and price of factors. Income distribution and theory of the firm are also included. Emphasis is given to microeconomic applications of international trade and finance as well as other contemporary microeconomic problems. (3 Lec.)

Textbook:	Krugman, Paul and Wells, Robin. <i>Microeconomics</i> . 3 <sup>rd</sup> ed. New York: Worth Publishers, 2013. ISBN (10): 1-4292-8342-4; ISBN (13): 978-1-4292-8342-7
Student Course Guide:	Wyatt, Ranita. <i>Student Course Guide for Choices and Change: Microeconomics</i> . 3 <sup>rd</sup> ed. New York: Worth Publishers, 2013. ISBN (10): 1-4641-3476-6; ISBN (13): 978-1-4641-3476-0
Video Lessons:	<i>Choices &amp; Change: Microeconomics</i> <i>To access videos for download:</i> <ol style="list-style-type: none"><li>1. Go to <a href="http://144.162.197.105/mp4/MICRO/default.htm">http://144.162.197.105/mp4/MICRO/default.htm</a></li><li>2. Username: ncpace</li><li>3. Password: sailor</li></ol> <i>Make sure all the downloaded files are working properly prior to deployment.</i>

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## Welcome to Choices and Change!

Welcome to Economics 2302. This course may be taken as the first or second course at the principles level of economics. This course will focus on microeconomic topics, such as supply and demand, consumer behavior, producer behavior, competitive market analysis, labor markets and other topics of interest. The course is designed to provide you with the structure and theory to increase your understanding of economics as it relates to microeconomic issues of the day. Successful completion of this course will lead you to a fundamental understanding of the behavior of markets, businesses and individuals. You will be exposed to many economists and business people as well as some government representatives interviewed in the course's video lessons.

The textbook and Student Course Guide will provide you with theory and application of the principles of economics. The Krugman/Wells textbook provides a comprehensive view of microeconomics. The Student Course Guide was designed to go with the textbook, as well as the video programs, and provides emphasis on the learning objectives and allows you to apply your knowledge and understanding through the use of practice questions and answers.

The assignments during the semester will include four (4) exams, worth 100 points each, and a written project, worth 100 points. This material is not learned through last minute cramming so it is very important to keep on schedule.

**IMPORTANT: Keep this syllabus handy and use it as a guide throughout the semester.**

Sincerely,

Dallas Colleges Online Military Support Team

NCPACE@dccd.edu

888-468-4268

<http://military.dccd.edu/>

## Course Goals

### Intellectual Competencies for Econ 2302

1. **READING:** the ability to analyze and interpret a variety of printed materials-above the 12th grade level.
2. **WRITING:** the ability to produce clear, correct and coherent prose adapted to purpose, occasion and audience-above the 12th grade level.
3. **LISTENING:** to analyze and interpret various forms of spoken communications, possess sufficient literacy skills of writing and reading-above the 12th grade level
4. **CRITICAL THINKING:** to think and analyze at a critical level and to use a comprehensive approach when addressing economic issues and problems.
5. **COMPUTER LITERACY:** to understand our technological society, use computer based technology in communications, problem solving, and acquiring information.
6. **COMPUTATIONAL SKILL:** to use quantitative systems to solve economic problems.

### Exemplary Education Objectives for Econ 2302

1. To understand the methods, technologies, and data that economists use to investigate the human condition.
2. To understand the development of our economic institutions and processes and how they relate to our political systems and culture.
3. To demonstrate the use of and offer critiques for alternative explanatory systems and theories in the principles of a microeconomics course
4. To understand and describe alternative explanations and approaches to domestic social issues
5. To analyze how historical, social, political, cultural, and global issues have an influence on our microeconomic institutions.
6. To understand the evolution and current microeconomic role of the U.S. in the world economy.
7. To differentiate and analyze historical evidence (documentary and statistical) through differing points of view in economics
8. To develop the ability to establish and apply reasonable criteria in determining the acceptability of historical evidence and social research.
9. To analyze, critically assess, and develop creative solutions for microeconomic problems.
10. To apply the microeconomic principles and theories presented in this course by using the information obtained from the news media and other appropriate sources to evaluate current economic policy as it relates to the current economic and public policy environment.

## Course Objectives for Econ 2302

1. Identify the major microeconomic problems confronting the U.S. economy.
2. Identify and explain the primary causes of these problems.
3. Identify and explain the principal economic effects of these problems.
4. Demonstrate knowledge of microeconomic theory necessary to think intelligently about these problems.
5. Identify, explain, and justify appropriate policy options for resolving these problems.
6. Evaluate the validity of policies proposed by others for resolving these problems.
7. Succeed in subsequent business courses that require an understanding of microeconomic theory for successful, or enriched, completion.
8. Apply the theory of microeconomics to subsequent courses in the arts, humanities, sciences, and social sciences.

### Getting Started

The course materials you need to complete Economics 2302 are as follows:

- Two CDs used to view your fourteen (14) video programs. Video programs are contained on the CD-ROMs. This visual material is an integral part of this course and must be watched carefully if you are going to maximize your learning experience and do well on your exams.
- A workbook titled, *Student Course Guide for Choices and Change: Microeconomics*, your guide to lessons in the course.
- A textbook titled, *Microeconomics*, for assigned chapter reading.
- Exam Review Guides found in the Student Materials folder, for exam preparation.
- Calculator

**These are the only course materials that may be used.**

### Using the Materials

#### Viewing the Videos

To access videos for download:

1. Go to <http://144.162.197.105/mp4/MICRO/default.htm>
2. Username: ncpac
3. Password: sailor
4. Make sure all the downloaded files are working properly prior to deployment. A Window on the right side of your screen will display the contents of the CD.
5. Find the appropriate video lesson and double-click on the video file to view it.

The video programs provide visual and narrative information, as well as application of the material presented in the textbook. To accomplish the goals of this course, you must thoughtfully view the video programs.

## Using the *Student Course Guide for Choices and Change: Microeconomics*

The *Student Course Guide for Choices and Change: Microeconomics* is **essential** for successful completion of this course. It provides important information about each lesson, correlates the reading assignments and the video programs, supplies invaluable “Focus Points,” and includes a truly representative “Practice Test” at the end of each lesson. It is also **very important** to both understand the Lesson Objectives and be able to answer the questions in the Lesson Focus Points found at the beginning of each lesson. Please use it!

## Using the textbook, *Microeconomics*

The textbook is your source for the economic content. To do well in this course, you must read the appropriate textbook assignments indicated in the *Student Course Guide for Choices and Change: Microeconomics*.

## Using the Exam Review Guides

The Exam Review Guides are supplemental materials to help you to prepare for the exams. Follow the instructions on the Exam Review Guides and complete the supplemental questions to help prepare for your exams.

## What You Need to Do

For success in this course:

- Read the Overview, Lesson Objectives, and Lesson Focus Points in the Student Course Guide for each of the fourteen (14) lessons.
- Read all of the textbook assignments.
- View all fourteen thirty-minute video lessons. Take notes!
- Answer the Practice Tests in the Student Course Guide for each of the fourteen lessons.
- Prepare and submit written project.
- Use the Exam Review Guides to help prepare for exams.
- Complete all four exams.
- Remember that you must turn in all assignments to receive a passing grade in the course.
- Submit your completed written project to your ESO when you take the third exam. Refer to your Assignment Calendar to ensure that you have completed all of the course requirements.

## Grades

Your assignments will be evaluated using the following point values. Semester grades will be assigned according to a 500-point scale.

This is a unique distance learning course where you do not have access to the instructor. That means that the DCCCD cannot review and return materials to you on a scheduled basis to assist

you with comments as you take the course. However, if you contact the Dallas Colleges Online Military Support Team, they may provide you the instructor’s contact information as needed.

Assignment	Point Value	Total Possible Points
Four Proctored Exams	100 points each	400
One Written Project (consisting of 2 essays)	100 points	100
DCCCD Distance Learning Student Survey*	10 points	10
<b>Total Points Available</b>		500

Numeric Value	=	Letter Grade
450 – 500	=	A
400 – 449	=	B
350 – 399	=	C
300 – 349	=	D
0 – 299	=	F

**\*Note:** The DCCD Class Survey is not required. The instructor will not see your comments. The instructor will only know that the survey was submitted. If a student decides not to submit a survey, there is no effect on the student’s final grade.

## How to Study for the Exams

During the semester, you are required to complete four exams based on the Lessons in the *Student Course Guide*. Each exam consists of forty-five (45) multiple-choice questions and two (2) short-answer questions. Five of the forty-five multiple-choice questions will be dropped, and the remaining forty questions are worth two points each for a total of 80 points. Each short-answer question is worth 10 points for a total of 20 points.

Follow these instructions when studying for your exams.

- Know and understand the materials presented in the video lessons.
- Review and have a working knowledge of the materials in the Lesson Objectives and Lesson Focus Points.
- Answer the questions in the Practice Exams and understand the material presented in the questions. Review these more than once!
- Pay special attention to the Lesson Focus Points and the short-answer essay questions in each lesson in preparation for the short-answer essay questions on the exams.
- Use the Exam Review Guides for each exam to understand what you should know for each lesson.
- Use the supplemental graph/calculation questions on each Exam Review Guide as an additional resource to practice working with graphs and formulas. The answers to the supplemental practice questions can be found on the last page of each Exam Review Guide.

## How to Write the Written Project (Two Type-written Essays)

### Written Project Instructions

- A cover page is required on the written project. This cover page will include the following:
  - a) the title of your Economics Analysis
  - b) course name and section number
  - c) your name
  - d) last four digits of your Social Security number
  - e) date that the project was submitted
- The written project will consist of **two type-written essays** written to analyze the two economic scenarios on the next page. You must write an analysis for **both** writing topics.
- Each essay will consist of two to two-and-a-half pages of double-spaced text for a total of no more than five total pages. The cover page and any reference page for the position paper do not count as pages of text. Font size **MUST** be **12 point**.
- You must write your analysis on the assigned topics. No exceptions will be made.
- You should apply what you have learned in this course to thoughtfully analyze the economic scenarios listed below. Your grade will largely be determined by the depth and level of analytical thought present in your essays. Use the analytical thinking skills that you have developed in this course!
- You may use any resources at your disposal to help you analyze the economic scenarios below, including your textbook and encyclopedias. Any and all resources that you reference or use for your analysis must be included on a reference sheet attached to the end of your paper. Direct quotations and summaries should be notated using MLA or APA standards.
- The written project must be typed and double-spaced with margins and spacing consistent with good college standards (MLA, APA, etc.). Please staple your project in the upper left-hand corner before submitting.
- Proper grammar, spelling, and punctuation should be observed.

**Note: Both topics are required!**

### **Writing Topic 1: Monopolistic Competition**

The market structure for bookstores is monopolistic competition in the town of Bookworm. In Bookworm, there are currently three bookstores in the Noble Booksellers chain, two stores in the Half-Price Adventures chain, and four other independent bookstores.

Analyze and answer the following questions in your essay.

- What are the characteristics of monopolistic competition? Briefly explain.
- Jane is the owner of Books-R-Us, one of the independent bookstores in town, and she tells you that her bookstore is always full of people. Jane also tells you that if she lowers the price of the books she sells, the number of customers shopping at Books-R-Us will increase and her average total cost will decrease.
  - What does this suggest about the elasticity of demand for books in Bookworm? Should Jane decrease the price of books at her store? Why or why not?
- After speaking with Jane, you decide to open up a bookstore of your own in Bookworm.
  - How can you differentiate your bookstore and the products you sell in order to gain market power and attract customers? Use specific examples relevant to your business. Are there any pros or cons to the different methods of differentiation?
- What kind of profits should you expect to earn in the long run? Briefly explain.

### **Writing Topic 2: Oligopoly**

The industry for pirate ships is oligopolistic in the town of Pirate's Cove. Besides your firm, Piratical, there are three other firms producing pirate ships.

Analyze and answer the following questions in your essay.

- What are the characteristics of oligopoly? Briefly explain.
- Overt collusion among firms is illegal in Pirate's Cove, and currently, none of the firms in the pirate ship industry are colluding openly. However, if possible, you would like to engage in tacit collusion with the other firms in your industry.
  - What is tacit collusion? Briefly explain.
  - What incentives do pirate ship producers have to engage in tacit collusion? How do they benefit? What happens to each firm's profit?
  - How will tacit collusion affect the market price and quantity of pirate ships? Are consumers worse off or better off than before? Why or why not?
- In many oligopoly markets, firms face factors that make collusion difficult.
  - What are the potential obstacles to collusion that pirate ship producers face? In other words, what are the factors that make it difficult for firms to coordinate in an oligopoly market?
- Which of these factors do you think is most likely to make collusion difficult to achieve in the pirate ship industry? Why?

## **Plagiarism**

In any written paper, you are guilty of the academic offense known as plagiarism if you half-copy or copy the author's words. This results in an automatic "F" for the course. You cannot mix the author's words with your own or "plug" your synonyms into the author's sentence structure. To prevent unintentional borrowing, resist the temptation to look at the source as you write. The author's words, phrases, sentences must be put in your words, in your way of writing. When you do this, you are demonstrating the ability to comprehend.

## **Diversity**

The course content and the course environment are dedicated to an understanding of and acceptance of all people. Disparaging remarks in relation to others' ethnic or racial background, sex, sexual orientation, age, disability, socioeconomic background, etc. will not be tolerated.

## **Academic Honesty**

The purpose of the Student Code of Conduct is to provide guidelines for the educational environment of the college. Such an environment presupposes both rights and responsibilities. Disciplinary regulations at the college are set forth in writing in order to give students general notice of prohibited conduct. Students should be aware of disciplinary actions for all forms of academic dishonesty, including cheating, fabrication, facilitating academic dishonesty, plagiarism, and collusion. Your college catalog and the DCCCD catalog contain the entire Student Code of Conduct, which is also on the Internet at <http://www.dcccd.edu>. Click on Student Services, Code of Student Conduct.

## Assignment Calendar

For ease the explanation:

- Workbook = *Student Course Guide for Choice and Change: Microeconomics*
- Textbook = *Microeconomics*
- CDs = videos

Weeks		Topics Covered	Student Activities
1, 2, 3	<b>Workbook</b>	Lessons 1–4	Read Lessons and complete Practice Exams.
	<b>Textbook</b>	From the workbook, you are referred to companion reading assignments in the textbook for each lesson.	Read
	<b>CDs</b>	From the workbook, you are referred to companion video programs to watch for each lesson. There is one video program that corresponds to each lesson.	View
	<b>Exam Review Guide</b>	Use the Test 1 Review Guide to prepare for your exam.	Review materials and complete supplemental questions.
	<b>Exam 1: Take Exam 1 proctored by your ESO.</b>		
4, 5, 6, 7	<b>Workbook</b>	Lessons 5–8	Read Lessons and complete Practice Exams.
	<b>Textbook</b>	From the workbook, you are referred to companion reading assignments in the textbook for each lesson.	Read
	<b>CDs</b>	From the workbook, you are referred to companion video programs to watch for each lesson. There is one video program that corresponds to each lesson.	View
	<b>Exam Review Guide</b>	Use the Test 2 Review Guide to prepare for your exam.	Review materials and complete supplemental questions.
	<b>Exam 2: Take Exam 2 proctored by your ESO.</b>		

<b>Weeks</b>		<b>Topics Covered</b>	<b>Student Activities</b>
<b>8, 9, 10</b>	<b>Workbook</b>	Lessons 9–11	Read Lessons and complete Practice Exams.
	<b>Textbook</b>	From the workbook, you are referred to companion reading assignments in the textbook for each lesson.	Read
	<b>CDs</b>	From the workbook, you are referred to companion video programs to watch for each lesson. There is one video program that corresponds to each lesson.	View
	<b>Written Project</b>	Complete the written project and submit to your ESO when you take Exam 3.	Write the <b>two</b> essays as indicated in the instructions
	<b>Exam Review Guide</b>	Use the Test 3 Review Guide to prepare for your exam.	Review materials and complete supplemental questions.
	<b>Exam 3: Take Exam 3 proctored by your ESO</b> <b>Submit written project (two typewritten essays)</b>		
<b>11,12,13,14</b>	<b>Workbook</b>	Lessons 12–14	Read Lessons and complete Practice Exams.
	<b>Textbook</b>	From the workbook, you are referred to companion reading assignments in the textbook for each lesson.	Read
	<b>CDs</b>	From the workbook, you are referred to companion video programs to watch for each lesson. There is one video program that corresponds to each lesson.	View
	<b>Exam Review Guide</b>	Use the Test 4 Review Guide to prepare for your exam.	Review materials and complete supplemental questions.
	<b>Exam 4: Take Exam 4 proctored by your ESO</b>		

## Video Index

### 1. **The Study of Choice**

Scarcity and the choices that must be made in using resources are the primary focuses of this lesson. Examples illustrate the competition for scarce resources and the choices that must be made. The distinctions between macro and micro and the interrelationship of these two branches of economics are also addressed in this lesson.

### 2. **Confronting Scarcity**

The Production Possibilities Curve (PPC) is developed graphically and then used to demonstrate the potential use of resources in the Gulf of Mexico. Conflicts associated with using and sustaining these resources is also examined. Economic growth in terms of the PPC and the benefits of trade gained from a country's ability to reach beyond its own production possibilities are illustrated.

### 3. **Supply and Demand**

This is one of the most important lessons in the series. Supply and demand curves are developed and then used for analytical purposes. Examines how surpluses and shortages are eliminated in a market based economy. Non-price determinants of supply and demand and the potential effects on markets are graphically illustrated and analyzed through contemporary examples.

### 4. **Applications of Supply and Demand**

This lesson expands the use of supply and demand analysis to illustrate efficient markets and to examine some of the causes preventing markets from reaching equilibrium. Changes in supply or demand and the effects on equilibrium price and quantity are illustrated through the OPEC oil embargo and the huge changes in automobile markets and consumer behavior that resulted from the embargo.

### 5. **Elasticity**

Different types of elasticity related to demand curves are examined, including how they relate to business revenues. How to calculate elasticity and the various determinants of price, income, and cross-price elasticities of demand are explored. Included is the complicated example of water in terms of uses and elasticities.

### 6. **Consumer Choice**

Diminishing marginal utility and its role in utility maximizing consumer behavior is analyzed in this lesson. Profit maximizing behavior on the part of businesses and how the combination of these concepts leads to an efficient outcome are primary focuses. Market failures and the inability to reach efficient outcomes are also presented.

### 7. **Production and Cost**

Costs of production and the development of cost curves are the foundation for understanding market structures. Simple real world examples are used to illustrate the mathematical and graphical development of cost curves. Another important aspect of this lesson is the distinction between short-run and long-run.

## 8. **Competitive Markets**

The perfectly competitive market is presented as the market that results in an efficient outcome. The emphasis in this lesson deals with the level of output where  $MR=MC$  as the profit maximizing/loss minimizing level of output. Short-run and long-run profit possibilities are explored graphically, utilizing a simple real world example.

## 9. **Monopoly**

This lesson explores the creation of a monopoly through a city's newspaper war. The differences between perfect competition and monopoly are highlighted, along with the similarity that the profit maximizing/loss minimizing level of output occurs where  $MR=MC$ . A discussion of natural monopolies and their potential deregulation follows a look at antitrust legislation.

## 10. **Imperfect Competition**

Most industries in this country are either monopolistically competitive or oligopolistic. Comparisons are made between perfect competition and monopolistic competition and between monopoly and oligopoly. In addition, students learn about advertising and its use in these markets. The lesson concludes with a discussion about the desirability of advertising expenses.

## 11. **Wages and Employment**

A BLS economist guides the lesson as supply and demand curves are utilized to determine the profit maximizing level of hiring. A demand curve of labor is developed through marginal revenue product curves in various types of businesses. A moral dilemma is presented relating to the health care industry and profit-maximizing behavior.

## 12. **Alternative Markets for Resources**

Presents a monopsonistic labor market and looks at the effects of market power on the demand side. The issue of market power on the supply side is addressed through representatives of unions and other organizations that aim to increase the demand for labor and/or decrease the supply of labor. Capital and natural resource markets are also illustrated.

## 13. **Public Finance and Public Choice**

Poverty, discrimination, and attempts to reduce or eliminate these problems are the focus of this lesson. Different government programs to increase the equity in this country are analyzed. Potential improvements to existing programs are also reviewed.

## 14. **Environmental and Global Issues**

The pros and cons of restricting international trade are addressed by U.S. Congressmen. A cost/benefit analysis is used to analyze pollution problems and potential solutions. The concept of selling pollution permits and the success rate of this type of abatement is analyzed.

## Abbreviation List

These abbreviations are used in both Macroeconomics and Microeconomics.

Symbol	Word
AOTE	All Other Things Equal
C.P.	<i>Ceteris Paribus</i>
PPF or PPC	Production Possibilities Frontier (Curve)
MB	Marginal Benefit
MC	Marginal Cost
$\Delta$	Change
P	Price
Q	Quantity
$Q_D$	Quantity Demanded
$Q_S$	Quantity Supplies
D	Demand
S	Supply
$Q^*$ or $Q^E$	Equilibrium Quantity
$P^*$ or $P^E$	Equilibrium Price
$P_C$	Price Ceiling
$P_F$	Price Floor

These abbreviations are used in Microeconomics textbook.

Symbol	Word
$E_D$	Price Elasticity of Demand Coefficient
$E_S$	Price Elasticity of Supply Coefficient
$E_{XY}$	Cross Price Elasticity Of Demand
$E_I$	Income Elasticity of Demand
TR	Total Revenue
CS	Consumer Surplus
PS	Producer Surplus
DWL	Deadweight Loss
MSB	Marginal Social Benefit
MSC	Marginal Social Cost
TU	Total Utility
MU	Marginal Utility
$MU_X/P_X$ ; ETC...	Marginal Utility Per Dollar Spent On X
$MU_X/P_X = MU_Y/P_Y = \text{ETC}...$	Utility Maximizing Rule
ID	Indifference Curve
MRS	Marginal Rate of Substitution
$\Pi$	Profit (Micro); Inflation (Macro)
SR	Short-Run
LR	Long-Run
TP	Total Product
MP	Marginal Product
AP	Average Product

TC	Total Cost
MC	Marginal Cost
TFC	Total Fixed Cost
TVC	Total Variable Cost
ATC	Average Total Cost
AFC	Average Fixed Cost
AVC	Average Variable Cost
TR	Total Revenue
MR	Marginal Revenue
AR	Average Revenue
MR=MC	$\Pi$ Maximizing Rule
LRAC	Long-Run Average Cost
P <sub>C</sub>	Perfect Competition
M	Monopoly
M <sub>c</sub>	Monopolistic Competition
O	Oligopoly
HHI	Herfindahl-Hirschman Index
MRP OR VMP	Marginal Revenue Product or Value of the Marginal Product
MRC	Marginal Resource Cost
E <sub>RD</sub>	Elasticity of Resource Demand
W	Wage
D <sub>L</sub>	Demand for Labor
S <sub>L</sub>	Supply of Labor

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R. Jan LeCroy for Educational Telecommunications, Dallas County Community College District

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The DCCCD is a Service member's Opportunity College – NAVY

The seven member colleges of the DCCCD are independently accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.