# University of Arkansas Rich Mountain
## ECN203 MICRO-ECONOMICS
## Fall 2020

**Instructor**: Teresa Torix
B.B.A., Business Administration/Accounting, University of Central Arkansas, Conway, Arkansas, 1995
M.B.A., University of Central Arkansas, Conway, Arkansas, 1998
M.A.T., University of Arkansas, Monticello, Monticello, Arkansas, 2014

**Class Location/Time:** Online

**Office Hours:** Mena High School Monday – Friday 7:30 – 8:00; 2:35 – 3:45

**Telephone:** (479) 394-1144

**E-mail:** teresa.torix@menaschools.org OR ttorix@uarichmountain.edu

**Pre-requisites:** There are no prerequisites for this course.

**Resources:** Principles of Economics (2014). Openstax Publishing, Rice University, Houston, TX.

**General Information:** Economics I, ECN203, is designed to give you a basic understanding of microeconomic theory.

**Course Description:** This course presents an overall view of how economic systems operate. Emphasis is placed on money, banking, and movements in national income and their effects.

**Course Rationale:** Students majoring in all fields of business need a fundamental understanding of economic theory. This course is designed to give you a general working knowledge of these fundamentals. This course is for transfer and terminal degree students.

**Course Outcomes:**
At the conclusion of this course, students should have a fundamental knowledge of these economic issues:
1. Supply, demand, and market equilibrium and what affects each of these economic states
2. Factors that affect labor markets and wages
3. Business production costs and how change impacts each of them
4. Positive and negative externalities in a marketplace
5. Differing types of market power, from monopoly to pure competition

**Course Goals and Objectives:** At the completion of this course, you should be able to:
Chapter 1 – Welcome to Economics
1. Differentiate between micro and macroeconomics.
2 Explain how economic growth and trade increases consumption possibilities.
3. Differentiate between a command system and a market system.
4. List the main characteristics of the market system.
5. Explain how the market system decides what to produce, how to produce it, and who obtains it.

Chapter 2 – Choice in a World of Scarcity
6. List the categories of scarce resources and delineate the nature of the economizing problem.
7. Apply the principles regarding the production possibilities frontier, increasing opportunity

costs, and economic growth.
8. Discuss how the market system adjusts to change and promotes progress.

Chapter 3 - Demand, Supply, and Market Equilibrium

9. Describe demand and supply and explain how they can change.
10. Relate how supply and demand interact to determine market equilibrium.
11. Explain how supply and demand affect equilibrium prices and quantities.
12. Identify how government set prices can create surpluses and shortages.

Chapter 4 - Wage Determination

13. Explain how wage rates and employment levels are determined.
14. Write the major causes of wage differentials.
15. Understand how unions affect wage earnings and the impact of minimum wage laws.

Chapter 5 - Elasticity of Supply and Demand

16. Explain price elasticity of demand and supply and how it is applied.
17. Apply cross elasticity of demand and income elasticity of demand.
18. Explain the usefulness of the total revenue test for price elasticity of demand.

Chapter 6 – Consumer Choices

19. Explain how changes in income and prices affect consumer choices
20. How to calculate utilities
21. Discuss the backward bending supply curve as it relates to wages and leisure.

Chapter 7 - Businesses and the Costs of Production

22. Explain why economic costs include explicit and implicit costs.
23. Understand and relate the law of diminishing returns to a firm’s short-run production costs.
24. Outline the differences between fixed and variable costs, and among total, average, and marginal costs.
25. Use economies of scale to link a firm's size and its average costs in the long run.

Chapter 8 -Pure Competition

26. Summarize the main characteristics of the four basic market models.
27. Explain why a competitive firm's marginal cost curve is the same as its supply curve.
28. List the conditions required for purely competitive markets.
29. Explain how the long run differs from the short run in pure competition.
30. Show how entry and exit of firms affects resource flows and long-run profits and losses.
31. Discuss creative destruction and the profit incentives for innovation.
32. Describe why profits encourage entry into a purely competitive industry.

Chapter 9 - Monopoly

33. List the characteristics of pure monopoly.
34. Explain how pure monopoly sets its profit-maximizing output and price.
35. Distinguish between the monopoly price, the socially optimal price, and the air-return price of a government regulated monopoly.
36. Discuss the economic effects of monopoly.

Chapter 10 - Monopolistic Competition and Oligopoly

37. List the characteristics of monopolistic competition.
38. Know why monopolistic competitors earn only a normal profit in the long run.
39. Understand how game theory applies to oligopoly.
40. Compare the positive and negative effects of advertising.
41. Contrast the incentives and obstacles to collusion among oligopolies.

Chapter 11 - Monopoly and Anti-Trust Policy

42. Understand the implications of corporate mergers and regulations
43. Analyze restrictive practices.

Chapter 12 - Environmental Protections and Negative Externalities

44. Explain and give examples of negative externalities

45. List the significance of marketable permits and property rights
46. Define command and control regulation

Chapter 13 - Positive Externalities and Public Goods

47. Define public goods and their characteristics
48. Explain how government can encourage innovation

Chapter 14 - Income Inequality and Poverty

49. Explain how income inequality in the U.S. is measured and described.
50. Describe how income inequality has changed since 1970.
51. Identify the major components of the income-maintenance program in the United States.

Chapter 15 - Issues in Labor Markets: Unions, Discrimination, and Immigration

52. Evaluate arguments for and against labor unions
53. Analyze reasons for the decline in union membership
54. Explain the impact of discrimination in a competitive market
55. Describe in detail the economic effects of immigration

Chapter 18 - Public Economy

56. Understand the impact of voter participation
57. Evaluate the impact of election expenses
58. Explain the voting cycle

As time may permit
Chapter 16 - Information, Risk, and Insurance
Chapter 17 - Financial Markets
Chapter 20 - Globalization and Protectionism
Natural Resources and Energy Economics

**Conduct of the Course:** This course is delivered strictly online. Because of this, participating in online class discussion is very important. There will also be written activities. quizzes, video review, and watching/reporting on the news. You must participate in discussion and all course activities. Please ask as many questions as necessary to ensure your understanding of the material being covered. Be aware that all topics covered in this course, and the order of their presentation, are subject to change.

**Assessment:** You will be evaluated on online assignments, forum posts, quizzes, and objective chapter tests. Tests will cover from three to four chapters. Tests are to be taken on the date assigned. No exceptions. On-line assignments will be compiled into a test score. Forum posts will also be compiled for a grade, as well as quizzes. The grading scale is as follows:

90 -100%= A
80 -89% = B
70 -79% = C
60- 69% = D
Below 60%= F

**Class Procedures:** As this is an online course, you MUST read the material and participate in discussions. You are not required to login to the class at a specific time, but you are expected to login and complete assignments at twice weekly. Discussions will be due early in the week, replies and comments to your classmates will be due later as will all written assignments. All assignments are due by 2pm. on the due date. You should expect to read and work on this course for a minimum of nine hours each week which includes the following:

For every course credit hour, you should expect to spend at least three clock hours per day of

concentrated attention on course-related work, including but not limited to time completing online assignments, as well as out-of-class time spent reading, reviewing, organizing notes, preparing for upcoming quizzes/exams, problem solving, developing and completing homework, and other activities that enhance learning.

**Academic Dishonesty Policy**

UA at Rich Mountain expects students to adhere to a strict code of academic honesty. Students should learn in an environment of integrity, free from the intrusion of any kind of dishonest conduct. When an academic exercise is designed to result in a grade, any of the following activities constitute violations of academic honesty (unless expressly authorized in advance by the instructor) and will be subject to disciplinary action:

Cheating on an examination or the preparation of academic work. Any student who engages in any of the following will be deemed to have engaged in cheating.

- Copying from another student's test paper, laboratory report, other report, computer file, data, listings and/or programs
- Substituting for another student, or permitting another student to substitute for oneself in taking an examination or preparing academic work
- The act of cheating or plagiarizing will be forwarded to the Associate Vice Chancellor for Student Affairs, Vice Chancellor for Student Affairs, and the Vice Chancellor for Academics and Mena High School administration. If cheating continues, the student could face possible administrative withdrawal from the class or possible suspension from the College.
- Attempting to bribe any faculty/staff or student to alter a grade
- Any forgery, alteration or misuse of academic documents, forms or records
- Collusion includes any secret agreement among students who participate in any academically dishonest activity

**Penalties for Academic Misconduct**

Academic misconduct will result in a minimum of a zero grade for the paper, assignment or test on which the violation occurred. Repeated occurrences will incur a more severe action, with the possibility of a zero for the course. The instructor may choose a more stringent course of action.

**Disability Policy:**

It is the policy of UA Rich Mountain to accommodate students with disabilities, pursuant to state and federal law. Any student with a disability who needs accommodations should contact the Associate Vice President for Student Affairs.

**Attendance Requirements**

Remember, if you decide drop this course, it is your responsibility to do so. The last date to withdraw with a "W" is **December 4, 2020**. **Failure to appropriately drop the course will result in the student earning an F for the semester.** If you fail to log in and participate in the course for two weeks in a row, your name will be submitted for nonattendance.

**Face Mask Policy:**

As per the Executive Order from the governor of Arkansas, all students are required to wear a proper face covering that completely covers the nose and mouth while on campus and in class. Masks with holes or masks that do not completely cover nose and mouth are not acceptable. Any student that does not have a proper mask will leave class and be referred to the Vice

Chancellor for Student Affairs for possible disciplinary action.

**Food and Drink:** Food and drinks, including water are not allowed in the classroom at any time.

**UA Rich Mountain Mission:** UA Rich Mountain exists to provide exemplary educational and enrichment opportunities to improve the quality of life and standard of living.

**FINAL NOTE:** I want you to receive value from this course. If you have questions, or if I can help you in any way, please call to make an appointment.