

ECON 201: Principles of Microeconomics, 3 credits

South Dakota State University taught at Lake Area Technical Institute

Instructor: Al Raeder, 882-5284, ext. 296; email: raedera@lakeareatech.edu

Office Hours: Room 132, 9:00 – 10:00 a.m. Monday – Friday. Feel free to stop by my office anytime.

Required Text: *Economics*, 5th Edition, Boyes and Melvin

Course Description: This class will consist of lecture, discussion and group work. Students must read the assignment before class and be ready to answer questions and take part in the discussion. Students will be expected to be informed of current topics of economics by reading newspapers and by listening to news broadcasts.

After introducing some fundamental economic concepts like scarcity and opportunity cost, we will see how markets can be analyzed using the model of supply and demand. We will then look “behind the scenes” at the supply curve as we examine the behavior of firms in various types of market structures, including perfect competition, monopoly, and oligopoly. Finally, we will explore how microeconomic theory allows economists to study issues such as the environment and taxation. By the end of the semester, you should be able to understand the “economic way” of analyzing markets and human behavior.

Course Goal: This course satisfies System General Education Core (SGEC) 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 instructional contexts.
2. Apply selected social science concepts and theories to contemporary issues.
3. Identify and explain the social or aesthetic values of different cultures.
4. Demonstrate a basic understanding of the origin and evolution of human institutions.
5. Demonstrate a basic understanding of the allocation of human or natural resources within societies.
6. Demonstrate a basic understanding of the impact of diverse philosophical, ethical, or religious views.

To assess how well students attain the above outcomes, I will evaluate students’ performances on learning exercises and exams.

Attendance and Makeup Policies: Attendance is a critical factor for success in school as well as on the job. In ECON 201, a student may be absent six (6) hours without penalty. Students should use these six hours wisely. After six hours are missed, a student could be dropped from the class and have to make plans to retake the course at a later time. Under special circumstances such as extended illness, exceptions may be made. School-related absences are not counted in the six hours. Any tests missed must be made up before the next test is given.

Academic Honesty Policy: I will not tolerate acts of academic dishonesty. Such acts include cheating, plagiarizing, fabricating and aiding/abetting others who engage in such acts. Moreover, I will report all evidence of such acts to the appropriate authorities for disposition.

Evaluation Procedures: 14 tests worth 100 points each. The final exam is not cumulative.

Grade Policy:

92% - 100% = A

84% - 91% = B

76% - 83% = C

70% - 75% = D

69% or below = F

Needs and Services: If you anticipate needing any type of accommodation in order to participate in this class, please inform me in full confidence of privacy and make the appropriate arrangements with Jeannie True in the Educational Services Center located in the Library.

COURSE CONTENT:

Part 1 Basic Principles of Microeconomics

Introduction: Economics in Action

Chapter 1 What is Economics? An Introduction to the Basic Ideas

Chapter 2 The Marginal Concept and Scientific Economic Analysis

Chapter 3 How Society Chooses: The Market Process and The Price Mechanism

Chapter 4 Demand, Supply, and Prices: How The Pure Market System Works

Part 2 Principles of Macroeconomics 1: Money, Spending, Output, Income

Chapter 5 Macroeconomics: The Circular Flow of Income and Spending

Chapter 6 Money: What it Is, What It Does: American Banking System

Chapter 7 How The Banking System Creates Money: The Deposit Multiplier

Chapter 8 How to Measure National Output and Income: GNP and Price Indexes

Part 3 Specialization, Trade, Functions of Prices on Input and Output Markets

Chapter 19 Comparative Advantage, Specialization and Trade

Chapter 22 Short-Run Cost Analysis: How Efficiency Changes as Output Changes

Chapter 23 Revenue Analysis: Market Demand, Prices and the Firms Revenues

Chapter 24 Short-Run Costs and Revenues: The "Optimum Output" Decision and the Market Supply

Curve

Part 4 American Economy: Agriculture, Labor, Business, Government

Chapter 31 Micro Problems of Modern Society: Progress, Pollution, Population

Chapter 32 Micro Problems of Modern Society II: Urbanization, Poverty, and Discrimination

Revised: 8/09