I. TITLE: PRINCIPLES OF MICROECONOMICS

II. CATALOGUE DESCRIPTION:
ECO 231 Principles of Microeconomics (3 hours)
An introduction to the application of the basic principles of supply and demand to the behavior of
dividual economic agents, such as consumers, households, businesses and non-profit firms,
industries and resource owners. Real world examples are used to demonstrate the application
of Microeconomics to everyday situations, including an analysis of the effects of government
policies on individual markets and income distribution.

III. PURPOSE:
To give the students an understanding and working knowledge of the basic tools of
microeconomic analysis. The student is expected to be able to apply these tools to economic
problems.

IV. COURSE OBJECTIVES:
At the end of this course a student will:
1. Understand the role of markets in economic outcomes (with particular attention to outcomes
related to price, quantity, profits, and efficiency).
2. Understand the role of market structure on market outcomes (with particular attention to
outcomes related to price, quantity, profits, and efficiency).
3. Understand the role of government in the economy.
4. Understand the role of incentives in economic outcomes.
5. Be able to solve economic problems using a variety of tools including: critical thinking,
graphical analysis, mathematical analysis and written analysis.

V. COURSE OUTLINE:
Introduction to Economic and Markets
   Economic Principles                              Ch. 1, 2
   Trade                                            Ch. 3
Supply and Demand
   Supply and Demand Analysis                      Ch. 4
   Elasticities                                    Ch. 5
   Analysis of Government Policies                 Ch. 6
Market Structure and Analysis
   Costs                                           Ch. 13
   Competition                                    Ch. 14
   Monopoly                                        Ch. 15
   Oligopoly                                       Ch. 16
   Monopolistic Competition                       Ch. 17
Topics in Markets
   Consumers, Producers, and the Market            Ch. 7, 21
   Application: Taxation                           Ch. 8
   Firm’s Input Demand                             Ch. 18
Other Topics
   Public Sector                                  Ch. 10-12
   Earnings and Income Discrimination             Ch. 19-20
VI. **INSTRUCTIONAL ACTIVITIES:**
Lecture, homework, student participation is expected and encouraged.

VII. **FIELD AND CLINICAL EXPERIENCES:**
None

VIII. **RESOURCES:**
Class Handouts, Text, E-Study Center

IX. **GRADING PROCEDURES:**

**Exams:** There will be three “within-term” exams and one Final Exam. Missed exam points for one exam will be added into the final exam for your final grade. The Final Exam will only be given during the regularly scheduled time.

**Homework:** There will be a homework assignments provided each Thursday night which will be due the following Tuesday at 12:00 noon. Homework will only be accepted by the assigned due date and time. Late assignments will not be accepted for any reason, so plan accordingly.
Technology failure is not an excuse for late work. Computers, printers, cars and fax machines are mechanical devices which do fail occasionally. Allow yourself ample time for these potential situations.

Homework should be neatly prepared, reflecting your careful work effort. Small, minor corrections are acceptable, but wholesale erasures and cross-outs are not. Homework is evaluated on your effort and accuracy. Homework does not have to be 100% correct to get full credit for it. Your effort on the homework will be either *acceptable* (80% level work or higher) or *unacceptable* (less than 80% level) For example, if your effort on an individual assignment is evaluated as 80% or higher, you receive a score of 100% for it; otherwise, you receive no credit for it.

Depending upon the volume of homework assignments, one or more “low scores” may be dropped at the end of the semester to allow for inadvertent and/or late homework assignments. Policy exceptions are at the sole discretion of the instructor.

**Grading Weights:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homework</td>
<td>100</td>
</tr>
<tr>
<td>Exam I, II, III</td>
<td>300</td>
</tr>
<tr>
<td>Final Exam</td>
<td>100</td>
</tr>
</tbody>
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**TOTAL** 500 Points

Your course grade will be curved to the sum of the highest score for each exam and homework assignment. Course grades will be based upon the percentages below in relation to the course high score. For example, if the high score after each of the four exams and the homeworks totaled 430 points for the semester, and you have earned 354 points, then 354/430 equals 82% and you have earned a “B” for the course.

90 - 100 = A  
80 - 89 = B  
70 - 79 = C  
60 - 69 = D  
0 - 59 = E

There are no “extra work” or “extra credit” conditions or opportunities.
X. ATTENDANCE POLICY:
Prompt attendance is expected for all classes. The classroom door will be closed promptly at the class starting time. All tardy students will be allowed in at 15-minute intervals. A seating chart will be used starting Thursday, January 26. You may claim any seat you can get, but all empty seats in front of you must be filled, or you will need to move up to fill them in.

Attendance will be re-checked after each of the two breaks, as each night’s class offers three absence opportunities. If you miss 10 classes (including test dates) then you fail the course.

If you must miss class, check the E-Study site for this class for the week’s assignment. You should conduct yourself in a professional manner at all times in the class, i.e., no unprofessional language, “put-downs” of others, and talking to one another loudly enough to bother others sitting near you. Unprofessional behavior will not be tolerated and will result in your being dropped from the class.

XI. TEXT AND REFERENCES:
Principles of Microeconomics, by N. Gregory Mankiw, 3rd Edition

A study guide is available, but is optional. The text publisher provides a helpful website: http://mankiw.swlearning.com

XII PREREQUISITES:
MAT 117, 120, 140 or 150; or an ACT math score of at least 23.

XIII. ACADEMIC HONESTY POLICY
Please be advised that it is the policy of the College of Business and Public Affairs that all instances of academic dishonesty will be punished and the name(s) of the offender(s) will be reported. The honesty policy is posted in each classroom and at: http://www.murraystate.edu/cbpa/PDF/Honesty.pdf. Students should also be familiar with the collegiate ethics policy which can be found at http://www.murraystate.edu/cbpa/PDF/ethics.pdf.

IV. Murray State University does not discriminate on the basis of race, color, national origin, sex, religion, marital status, age, or disability in employment, admission, or the provision of services, educational programs and activities, and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford individuals with disabilities and equal opportunity to participate in all programs and activities. For information regarding nondiscrimination policies contact the Office of Equal Opportunity, 270-762-3155.

FINAL NOTES:
The material and policies outlined above are “tentative” and are subject to minor changes. You will be informed at the beginning of a class well in advance if changes are necessary.

If at anytime you have any questions concerning the policies or content of this course, please ask.