Course Information:
Course Number: ECON-101-02
Time: TTH: 11:30-12:50 PM
Location: ENG-100

Course Description:
Modern Market Economies rely mainly on activities of consumers, business, and resource suppliers to allocate resources efficiently. Attention is given to the concept of Supply and demand, the nature and operation of market structures, analysis of costs and revenues, and the theory of production, labor relations and the international economics.

Text Book:

Reading of Wall Street Journal and the Financial Times is recommended. Additional materials beyond the text book may be covered. The EconLab is required.
**Course requirements:**

Final grades will be determined by your performance in the three exams and a final on the dates announced in the class and based on the following distribution. Since you will drop the lowest exam grade, among the first three exams, the total of three exams will be used to calculate your final course grade. **Please note that you can not drop the final exam.** Homework are assigned and should be worked out in the EconLab system with Pearson Higher Education. The homework should be done on time since they are time sensitive, please be aware that the homework deadline will not be extended. You will lose the grade of past due homework. We will work out on selected homework in class as time permits.

<table>
<thead>
<tr>
<th>First Exam</th>
<th>(Feb 21, 2019)</th>
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<tbody>
<tr>
<td>Second Exam</td>
<td>(Mar 21, 2019)</td>
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<td>Third Exam</td>
<td>(Apr 18, 2019)</td>
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<td><strong>Final Exam</strong></td>
<td>May 14, 2019</td>
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All exams should be taken on the day and time scheduled. There will be **NO Make-up exam** for this course. If you miss any exam for any reason, that will be counted as your lowest exam grade. It is expected that students attend all lectures. Anything covered in class including the materials beyond the text book is eligible for test material. **No extra work** will be given for additional credit. The cell phones can’t be used instead of calculator during the exams.

**Extra credits:** Due to importance of following the current events and in order to help students to get a better grades, each student can choose two topics from the list of current events (the list will be posted in the blackboard), or topic of their choice related to Economics, write one written page report and present it at the beginning of the class. **Each topic could add 10 additional points to your total possible points.** Please keep in mind that we can not have more than two topics in each class so if you plan to use this option you must do it during the semester, the sooner the better and do not wait till the end since you may not have a chance to do it due to time constraint. There will be no presentation on the last week of the semester. The first two students who inform the professor of their intension for presentation on a particular day will be able to present on that day.

**Grading System:**
90-100...A, 85-89...B+, 80-84...B, 75-79...C+, 70-74...C, 60-69...D, 59 & below... F
**NO** grades will be given by the e-mail
Number Two Pencils are required for ALL exams.

**Attendance Policy:** All assignments are made on the assumption that you will be present in class each day. I reserve the right to change the schedule if needed with proper notice to the class. Attendance will be taken each day. You are expected to attend class regularly and to arrive in class on time, regardless of your work schedule. Late arrival will not be permitted.

**Protect Yourself:** Please keep photocopies of all the work you submit, including the exam scantrons.

**Save Electronic Copies:** Please save electronic copies in your electronic mailboxes

**Penalty:** Cheating of any kind will result in an "F" for the course. Duplicating/repeating/copying another student/classmate’s past or present work cutting and pasting resulting in plagiarism will be considered as cheating for both parties involved. The University administration will be notified.

**Class Participation, Cellular Phones, and Text messaging & Laptops:**
Constructive participation is highly encouraged, destructive participation or disturbing the class is discouraged. Having your cellular phone ring during class is very destructive. Using your Laptop use in class for note taking is an excellent idea but misusing it by surfing the web or checking email is unacceptable and will not be permitted. The same rules apply for the misuse of cellular phones, as outlined below.

Constructive participation means coming to class on time, being in the class regularly and submitting and presenting assignments on time. Let me know your problems ahead of time.

Destructive participation will result in minus grading or in other words fewer points or zero points from the allocated score for the class participation as shown in the key to the grading system. Destructive participation means "disturbing in a way which obstructs professor teaching, delay in handling the class routine, causing classmates not to be able to focus or take notes gainfully."

**Cellular Phones.** Cellular phones must be off at all times while class is in session. It must be put away, out of sight, in a backpack & not in your lap. The first time you are sighted **Text Messaging;** you will be given a warning. The second time, 10 points will be taken away from your total points.

<table>
<thead>
<tr>
<th>Exams</th>
<th>Points</th>
<th>Grade</th>
<th>Key</th>
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<tbody>
<tr>
<td>Exam 1</td>
<td>100</td>
<td>A</td>
<td>339 or more</td>
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<td>Exam 2</td>
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<tr>
<td>Exam 3</td>
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<td>Exam 4</td>
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<td>303</td>
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**GRADING SYSTEM**
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<tr>
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<td>Homework</td>
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<td>Class Participation</td>
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<td>F 215 or less</td>
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<td>Total</td>
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**Recommended readings:**
- The Wall Street Journal, /daily
- *The Financial Times* (daily newspaper, available online through the ABI INFORM/PROQUEST database on the college library website);
- *The Economist* (weekly magazine, available online through the ABI INFORM/PROQUEST database on the college library website);
- *Business Week* (weekly magazine, available online through the ABI INFORM/PROQUEST database on the college library website);
- *Harvard Business Review* (monthly magazine, available online through the EBSCO/Business Source Premier database on the college library website)

**Tentative Course Outline:**

- What is Economics Ch1.
- The Economic Problem Ch 2.
- Demand and Supply Ch 3.

**FIRST EXAM**
(Covers chapters 1, 2, 3)

- Elasticity Ch.4
- Efficiency and Equity Ch.5.
- Government Action in Markets Ch.6

**Second Exam**
(Covers chapters 4-6)

- Utility and Demand Ch.8.
- Possibilities, Preferences, and Choices Ch. 9
- Output and Cost Ch.11.
- Perfect Competition Ch.12.

**Third EXAM:**
(Covers chapters 8-9, and 11-12)

- Monopoly Ch.13.
- Monopolistic Competition Ch.14.
- Oligopoly Ch.15.
- Markets for Factors of Production Ch.18
More details on each chapter are as follows:

Chapter 1: What is Economics

When you have completed your study of this chapter, you will be able to
Define Economics and explain the kind of questions that economists try to answer.

Explain the core ideas that the economic way of thinking.

In this chapter the following subjects will be discussed:

∙ Scarcity
∙ Self-interest vs. Social interest
∙ Globalization and international Outsourcing
∙ Global warming
∙ Rational choice
∙ Cost and Benefit
∙ Marginal cost vs. marginal benefit
∙ Economics as a policy Tools
∙ Time series graph and cross-section graph
∙ Slope calculation

Chapter 2: Economic Problem

Chapter 2 reinforces the central themes of Chapter 1 by laying out a core economic model, the production possibilities frontier (PPF), and using it to illustrate the concepts of tradeoff and opportunity cost.

Chapter 2 also provides a deeper explanation, again with a model, of the concepts of marginal cost and marginal benefit, beginning with the concept of efficiency, and concluding with a review of the source of the gains from specialization and exchange.

When you have completed your study of this chapter, you will be able to use production possibilities Frontier to illustrate the economic problem
Calculate opportunity cost Define efficiency and describe an efficient use of resources
Explain what makes production possibilities expand?
Explain how people gain from specialization and trade.
In this chapter the following subjects will be discussed:

∙ Production possibilities frontier
∙ Production efficiency
∙ Opportunity cost
∙ Increasing opportunity cost
∙ Allocative efficiency vs. production efficiency
Specialization and trade Gains from trade

Chapter 3: Demand and Supply

When you have completed your study of this chapter, you will be able to
Distinguish between quantity demanded and demand and explain what determines demand.
Distinguish between quantity supplied and supply and explain what determines supply.
Explain how demand and supply determine price and quantity in a market and explain the effect of changes in demand and supply.
In this chapter the following subjects will be discussed:
  · The Law of Demand
  · Demand Schedule and Demand Curve
  · Individual demand and market demand
  · Changes in demand (price of related goods, income, expectation, number of buyers, preferences)
  · The Law of Supply
  · Supply schedule and supply curve
  · Individual Supply and market Supply
  · Changes in Supply (prices of related goods, prices of resources and other inputs, expectations, number of sellers, productivity)
  · Change in quantity supplied versus change in supply
  · Market Equilibrium

Chapter 4: Elasticity
When you have completed your study of this chapter, you will be able to
Explain, the factors that influence, and calculate the price elasticity of demand.
Explain the factors that influence, and calculate the price elasticity of supply
Explain the factors that influence, and calculate the cross elasticity of demand and income elasticity of demand.
In this chapter the following subjects will be discussed:
  · The price elasticity of demand
  · The elasticity formula
  · Elastic and inelastic demand
  · interpreting the elasticity of demand
  · Total revenue and the price elasticity of demand
  · The price elasticity of supply
  · Elastic and inelastic supply
  · Computing the price elasticity of supply
  · Cross elasticity of demand
  · Income elasticity of demand

Chapters 5-7: Government Influences on Markets and Taxes

When you have completed this chapter, you will be able to
Describe the components of government budgets
Evaluate tax policies and tax efficiency
Explain the Personal Income Tax and its Effects.
Define Price ceilings and price floors.
In this chapter the following subjects will be discussed:
· Taxes and Efficiency
· Income Tax and Social Security Tax
· Government budgets and Price Ceilings

Chapter 8: Utility and Demand

When you have completed your study of this chapter, you will be able to
Calculate and graph a budget line that shows the limits to a person’s consumption possibilities
Explain marginal utility theory and use it to drive a consumer’s demand curve.
Use marginal utility theory to explain the paradox of value: why water is vital but cheap while diamonds are relatively useless but expensive.

Chapter 11: Production and Cost

When you have completed your study of this chapter, you will be able to
Explain how economic measure a firm’s cost of production and profit
Explain the relationship between a firm’s output and labor employed in the short run.
Explain the relationship between a firm’s output and costs in the short run.
Derive and explain a firm’s long run average cost curve.

In this chapter the following subjects will be discussed:
· Explicit costs and implicit costs
· Total product and marginal product
· Total cost (fixed and variable costs)
· Long – run costs curve

Chapter 12: Perfect Competition

When you have completed your study of this chapter, you will be able to
Explain a perfectly competitive firm’s profit maximizing choice and derive its supply curve
Explain how output, price and profit are determined in the short run.
Explain how output, price and profit are determined in the long run and explain why perfect competition is efficient.

In this chapter the following subjects will be discussed:
The · four market types
· The market conditions
· Profit maximizing Output
· Shut down decisions
· The firm’s supply curve

Chapter 13: Monopoly

When you have completed your study of this chapter, you will be able to
Explain how a single – price monopoly determines output and price. 
Compare the performance of a monopoly with a perfect competition. 
Explain how price discrimination increases profit

**Chapter 14: Monopolistic Competition**

When you have completed your study of this chapter, you will be able to:
Describe and identify monopolistic competition
Explain how a firm in monopolistic competition determines its output and price in the short run and the long run

**Chapter 15: Oligopoly**

When you have completed your study of this chapter, you will be able to:
Describe and identify oligopoly and explain how it arises.
Explore the range of alternative price and quantity outcomes
Use game theory to explain how price and quantity are determined in oligopoly

**Chapter 18: Markets for Factors of Production Markets**

When you have completed your study of this chapter, you will be able to:
Describe the anatomy of the markets for labor, capital, and land.
Explain how wage rates and employment are determined.
Explain how interest rates, borrowing, and lending are determined.
Explain how rents and natural resource prices are determined.

**Chapter 19: Economic Inequality**

When you have completed your study of this chapter, you will be able to:
Describe the economic inequality and poverty in the United States.
Explain how economic inequality and poverty arise
Explain why governments redistribute income and describe the effects of redistribution on economic inequality