Microeconomics is one of the foundations of business: the basic theory of market and firm behavior. You may have to change how you study if you are used to survey classes. Memorization techniques do not work well with a more conceptual class like this one. You can memorize facts, but you can’t memorize ideas. To learn these, you must do things: homework, online practice problems, reading the textbook, and studying your notes.

–FUNDAMENTALS–

Sticking Around: This is a sophomore level class that freshmen may enroll in. Even though it has no prerequisites, sometimes it helps to postpone it until later. If you are a freshman who struggles in mathematics and who has had no other business classes, consider talking to me about whether to remain in this class.

Course Objectives: After completing this course, the student will have learned the following:

1. The role of competition and prices in determining what goods are produced, how those goods are allocated, and how the benefits of trade are distributed to consumers, workers, and firm owners.

2. The workings and institutional features of the competitive market, and the way that the free operation of this market can achieve valuable social objectives.

3. The firm’s decision to supply goods to the market, in the context of profit maximization, and the role of opportunity costs in that decision.

4. How market characteristics influence firms’ supply, pricing, and investment.

By the Book: Mankiw’s *Principles of Economics*. Any edition is fine, including old editions, and you are welcome to purchase a hard copy or an electronic edition. I do not teach right out of the book, but I present material in a similar order, so reading the text provides context, detail, and examples that help a lot–so please get the book and get it promptly. The calendar lists the readings for each unit, and I will periodically connect the lectures to the chapters.

As a Cengage Unlimited eTextbook, you can get access to this book and all Cengage textbooks for a single price of $70 per semester. If you use multiple Cengage books across several classes, this might be your best option—but it is not required for this class. Neither is MindTap or any sort of access code. You just need the book. To learn more, see www.cengage.com/unlimited.
Getting Help: My office hours are listed above. You are also welcome to stop by my office anytime the door is open, to call my office, or to request an appointment. Depending on the Covid situation, I may ask that we meet in an open classroom to reduce the risk of disease transmission.

In addition, ECON and BANA tutoring is available in the Academic Success Center in the Library. Check with them for hours and availability. However, let’s not use GroupMe’s in this class—it is better to see me or a tutor with questions.

Making Up: You can miss one homework, one engagement activity, and one test in this class without penalty, no documentation required. Make-ups for individuals who miss more than this amount of work will be provided if, and only if, appropriate medical documentation is provided for **all** missed work. Do not miss coursework for no reason, counting on a make up later if you get sick, as you will not receive a make up under this policy. If you do get sick, get it documented with a physician’s note or Covid test.

---GRADING AND BEHAVIOR POLICIES--

Showing Up: Attendance and punctuality are expected of students in the Business School. However, due to the Covid situation, attendance is not required this semester. I don’t want anyone feeling like they need to come to class though they don’t feel well. Still, please come to class if you do feel well, and make every effort to be on time.

Professionalism: Good professionalism is easy to spot. It is about exhibiting a conscientious, courteous, businesslike manner appropriate to a class in the College of Business. Professionalism is extremely valuable in the workplace and will help you do well in this class.

Professionalism includes coming to class regularly, if you feel well, and on time; being prepared for class every day; having a single, well-organized notebook for class notes and materials; participating in class; maintaining proper classroom decorum; and doing assigned work conscientiously. Accordingly, I collect homeworks only at the beginning of class (or before, you can slide it under my office door before class). I also don’t permit cell phone use, sleeping, newspapers, etc., nor food and drink other than water and breath mints, consistent with the policy of the college. Finally, except for a health issue or disability, I anticipate that you will only rarely need to leave class. Leaving and returning to class is distracting for your classmates, and should only be done when you have a genuine need. If I encounter repeated problems with this issue, I reserve the right to lock the door five minutes into class, to prevent re-entry.

Engagement: In each of our three units, you are asked to complete three “engagement activities”: online homeworks on Blackboard, occasional Zoom discussions or applied
assignments, or “applications,” in which you read a newspaper article, watch a short video about the article, and take a brief quiz over the article and video.

Engagement is graded on a completion basis. You must get 80% correct on the homeworks for credit; you can take each one repeatedly, and it will show you which questions you missed. You must get five of eight questions correct on the application quiz to receive completion credit. (You can only take it once.) Zoom participation will receive credit unless you arrive late, leave early, turn off your camera, engage in problem behaviors (e.g., sleeping, texting, mask issues), or have serious connectivity issues.

Begraded: You have four tests, including the final exam, six homeworks, and nine engagement activities. I drop your lowest of each. Your final average is determined as follows.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Your Three Best Tests, 25% each</td>
<td>75%</td>
</tr>
<tr>
<td>Your Five Best Homeworks, 2% each</td>
<td>10%</td>
</tr>
<tr>
<td>Eight Engagement Activities, 2% each</td>
<td>16%</td>
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</table>

The weights add up to 101%, which is like getting a little grade boost. Final grades are assigned using the typical scale: 90+ = A, 80-89 = B, 70-79 = C, 60-69 = D, 0-59 = F. Students on a grade borderline, for example, with an 89.2 or 79.6 or 69.9, will be rounded up or down based on “professionalism,” as defined above.

If you are happy with your first three tests, you can skip the final exam.

**Boring but Effective.** I can’t stress enough: hitting the ground running and utilizing good study habits are the keys to doing well in this class. You will be much more likely to succeed in this class if you do these things and much less likely if you don’t.

–OTHER POLICIES–

**E-Mail:** E-Mail is an acceptable form of communication for all class matters. I will send out course e-mails via the Blackboard system. You can have your SHSU e-mails forwarded to the destination of your choice. Please do so if you wish, because if I send a course e-mail I assume you will get it.

**Covid:** Covid-19 continues to pose a serious health risk. I will do what I can to protect you from the risk of catching Covid to the degree possible. Accordingly, I will wear a mask in class during high-risk periods, and request that you do as well (your compliance is optional). I may also arrange classroom seating to reduce transmission risk. I have also eliminated the attendance requirement, and will place video lectures of each chapter during periods in which transmission risk is especially high. Let’s get through this as safely and successfully as we can.
Cheat on Me:  We at Sam Houston expect you to conduct your studies with integrity. My minimum penalty for cheating is a grade of 0 on that assignment. I am always on the lookout for academic dishonesty and never fail to take action when I detect it.


Policy on Electronics:  Except in emergencies or to accommodate a disability, in-class use of all electronic devices of this type, including cell phones, smart phones, and laptop computers, is wholly prohibited. Use of any such device during a test is, by university policy, de facto evidence of cheating. Please turn off your phones and store them out of sight. If you violate my electronics policy more than twice, I reserve the right to dock your final grade by one point for each violation. Before I do that, I will first send you an e-mail asking to speak with you about the problem.

Bonus Tracks:  For policies regarding students with disabilities, absences on religious holy days, and academic honesty, see www.shsu.edu/syllabus.
<table>
<thead>
<tr>
<th>Monday</th>
<th>Wednesday</th>
<th>Friday</th>
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| **Unit 1: The Behavior of Perfectly Competitive Markets** | Black = talking  
Brown = doing  
Red = testing  
Blue = reading | Aug 16  
The Basics of Exchange  
18  
Competition, Exchange, and Equilibrium (eventually we will cover all of Chapter 4)  
20  
Taking It to the Limit |
| Aug 16  
The Basics of Exchange | 18  
Competition, Exchange, and Equilibrium (eventually we will cover all of Chapter 4) | 20  
Taking It to the Limit |
| 23  
Supply/Demand Analysis | 25  
Competition in the Gas Market | 27  
Homework 1—complete this and all homeworks before class, and bring a copy of your work to turn in |
| 30  
Elasticity in Supply/Demand Analysis (Chapter 5) | Sept 1  
Measuring Elasticity | 3  
Elasticity, Price, and Revenue in the Huntsville Half Marathon |
| 6  
Labor Day (Holiday) | 8  
Homework 2 | 10  
Consumer and Producer Surplus (Chapter 7)  
All Unit 1 Engagement Activities due at 11:00 pm |
| 13  
Economic Efficiency | 15  
Test 1 | 17  
Unit 2 Starts (see next page) |
# Unit 2: Firm Behavior in Perfectly Competitive Markets

<table>
<thead>
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<tr>
<td>20</td>
<td>22</td>
<td>24</td>
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<tr>
<td>D.G.’s Model o’ the Firm</td>
<td>Fixed and Variable Costs in the Right Angle Model</td>
<td>Flexible Capacity Utilization and Diminishing Returns</td>
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<tr>
<td>27</td>
<td>29</td>
<td>Oct 1</td>
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<tr>
<td>The Cost Curves</td>
<td>Homework 3</td>
<td>Three Business Decisions in the Right-Angle Model (Chapter 14)</td>
</tr>
<tr>
<td>4</td>
<td>6</td>
<td>8</td>
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<tr>
<td>Three Business Decisions, Reprise</td>
<td>The Best Bad Option</td>
<td>The Long Run Effects of Entry and Exit</td>
</tr>
<tr>
<td>11</td>
<td>13</td>
<td>15</td>
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<tr>
<td>Long Run Equilibrium</td>
<td>Homework 4</td>
<td>Entry, Exit, and Economic Efficiency</td>
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<td>18</td>
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<tr>
<td>Test 2</td>
<td>Unit 3 Starts (see next page)</td>
<td>All Unit 2 Engagement Activities due at 11:00 pm</td>
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<tr>
<td>Monday</td>
<td>Wednesday</td>
<td>Friday</td>
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| **Unit 3: Firm Behavior in Markets that Aren’t Perfectly Competitive** | Oct 20  
What’s the Opposite?  
Marginal Revenue (Chapter 15) | 22  
From Competition to Monopoly |
| 25  
Price Setting                           | 27  
Price Discrimination       | 29  
Price Setting |
| Nov 1  
The Spectrum of Competitiveness    | 3  
Homework 5                  | 5  
Homework 6 |
| 8  
Oligopoly  
(A little bit of Chapter 17) | 10  
Product Heterogeneity       | 12  
Homework 6 |
| 15  
Homework 6                               | 17  
The Absence of Competition and the Absence of Efficiency | 19  
Monopolistic Competition (Chapter 16) |
| 22  
Test 3                                  | After Thanksgiving:  
Flex Time used for Making Up Missed Class Days or Prepping for Final Exam  
All Unit 3 Engagement Activities due at 11:00 pm on Wednesday, Dec. 1. | 23  
Test 3 |

**FINAL EXAM ADMINISTERED IN THE FINAL EXAM PERIOD:** Fri., Dec 3, 10:15 am -12:15 pm