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Fall 2023  
237H Smith-Hutson  
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www.shsu.edu/dpg006

ECON 2302, Micro Principles, 3 Credits  
Sec. 05: 10-10:50 am MWF, Room 134  
Office Hours: 9:30-10, 11-12 MWF and  
and whenever the door is open  
dgrant@shsu.edu

The basic principles covered in this course include individual decision making, price theory, analysis of the firm, competition, and monopoly. If you are used to survey classes, you may have to change how you study. Memorization does not work well with a conceptual class like this one. You can memorize facts but not ideas. To learn these, you must *practice*, in addition to reading the textbook and studying your notes. You will have ample opportunities to do so.

### –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 previous 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](http://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.

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: Because of my drop policy, you can miss one test in this class without penalty, no documentation required.

Make-ups for individuals who miss two or more tests will be provided if, and only if, appropriate medical documentation is provided for **\*\*all\*\*** missed work. *Do not miss a test 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, please document it with a physician's note or Covid test.*

#### –GRADING AND BEHAVIOR POLICIES–

Professionalism and Attendance: 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 is expected in this class.

In this class, professionalism includes coming to class regularly, on time, and staying the full period; having a single, well-organized notebook for class notes and materials; participating in class; and maintaining proper classroom decorum.

In keeping with my attendance and timeliness expectations, I collect homeworks and take roll only at the beginning of class (or before, you can slide homework under my office door before class). If you are late you are counted absent. Also, except for a health issue or disability, I anticipate that you will need to leave class very rarely.

In keeping with my expectations of decorum, I don't permit cell phone use of any type, sleeping, newspapers, etc., nor food and drink other than water and breath mints, consistent with the policy of the college.

Nine class meetings may be missed without penalty. Any student who misses more than nine class meetings will have their final average lowered by the *total* number of classes missed. (For example, if you miss ten classes, your final average is lowered by ten percentage points). I will adjust for excused absences when there is university-sponsored travel, your illness, or serious illness or a death in the family, with appropriate documentation (such as a note from a physician), and only when there are at least three such absences (such as for extended illness). That is, I assume everyone misses two classes for justifiable reasons.

Furthermore, to receive credit for that day's attendance, students must behave professionally. Attendance credit will not be given if you sleep or use a cell phone during class, leave class at any point for any reason (even for just a few minutes), or have food or drink in the room during class. I will give you one "mulligan" on each of these things; if you have a legitimate need to leave class more frequently, please speak with me. Repeated problems with cell use are subject to additional penalties—see my electronics policy below. Please put your cell phone away in your pocket or backpack before class starts and keep it there.

Engagement: Each of our three units has associated "engagement activities": online quizzes on Blackboard, an applied assignment, 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 on Blackboard. There are more than fifteen engagement activities available to you, at least five per unit, and you are asked to complete a total of ten.

Engagement is graded on a completion basis. You must get 80% correct on the online quizzes 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.)

The way I like to think of it is that economics is a *sport*: you have to practice, you have to engage with the material to do well. These activities are a way to engage without much grading pressure. All engagement activities can be found in the appropriate folders on Blackboard.

Begraded: You have four tests and ten engagement activities. I drop your lowest test. The fourth test is a cumulative final exam given during the final exam period.

Your final average is determined as follows.

Your Best Three Tests, 30% each:	90%
Ten Engagement Activities, 1% each:	<u>10%</u>
	100%

Final grades are assigned using the typical scale: 90+ = A, 80-89 = B, 70-79 = C, 60-69 = D, 0-59 = F. I utilize homework performance to decide borderline cases, and my range for borderline cases is quite large. There are six homeworks in this case, and you are invited to turn in a copy of your work at the beginning of each homework review day. If your final average is within 2.5 points of the next higher grade (87.5, 77.5, 67.5, 57.5), I consider you a borderline case and will round your final grade up or down depending on the completion and accuracy of your homework.

***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 some health risk. Accordingly, I will wear a mask in class during high-risk periods and invite you to do so as well.

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.

Wall St. Journal: All SHSU students get a free subscription to the Wall Street Journal. Activate yours at <https://partner.wsj.com/partner/samhoustonstateuniversity>.

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 repeatedly, I reserve the right to dock your final grade by one point for each violation (in addition to any attendance-related penalty that may be incurred). Before I do that, I will first send you an e-mail asking to speak with you about the problem.

Inclusiveness: I'm a yes on that.

Mandatory Reporting: If something serious happens to you, you are welcome to inform me or to speak to me about it. I have taught a long time and can sometimes offer helpful suggestions to students in distressing circumstances. If you share private information with me, I will not divulge it to anyone unless I am required to. However, I am required to report all crimes committed on campus to the university. I must also report all present or past instances of sexual assault, sexual harassment, and other sexual misconduct.

Bonus Tracks: For policies regarding students with disabilities, absences on religious holy days, academic honesty, and more, see [www.shsu.edu/syllabus](http://www.shsu.edu/syllabus).

Monday		Wednesday		Friday
<i>Unit 1: The Behavior of Perfectly Competitive Markets</i>			Black = talking Brown = doing Red = testing Blue = reading	
<b>Aug 21</b> The Basi(c)s of Exchange		<b>23</b> Competition, Exchange, and Equilibrium (eventually we will cover all of Chapter 4)		<b>25</b> Taking It to the Limit
<b>28</b> Supply/Demand Analysis		<b>28</b> Competition in the Gas Market		<b>Sept 1</b> Homework 1—complete this and all homeworks before class
<b>4</b> Labor Day Holiday		<b>6</b> Elasticity in Supply/Demand Analysis (Chapter 5)		<b>8</b> Measuring Elasticity
<b>11</b> Shortages, Surpluses, and Equilibrium (Chapter 6)		<b>13</b> Homework 2		<b>15</b> Consumer and Producer Surplus (Chapter 7)  All Unit 1 Engagement Activities due at 11:55 pm
<b>18</b> Economic Efficiency		<b>20</b> <b>Test 1</b>		<b>22</b> Unit 2 Starts (see next page)

Monday		Wednesday		Friday
<p><i>Unit 2: Firm Behavior in Perfectly Competitive Markets</i></p>				<p>Sept 22</p> <p>Economic Costs and Economic Profit (Chapter 13)</p>
<p>25</p> <p>Economic Costs and Production</p>		<p>27</p> <p>Fixed and Variable Costs in the Right Angle Model</p>		<p>29</p> <p>Flexible Capacity Utilization and Diminishing Returns</p>
<p>Oct 2</p> <p>The Cost Curves</p>		<p>4</p> <p>Homework 3</p>		<p>6</p> <p>Four Basic Business Decisions (Chapter 14)</p>
<p>9</p> <p>Production, Entry, and Exit</p>		<p>11</p> <p>The Best Bad Option</p>		<p>13</p> <p>The Long Run Effects of Entry and Exit</p>
<p>16</p> <p>Long Run Equilibrium</p>		<p>18</p> <p>Homework 4</p>		<p>20</p> <p>Test 2</p> <p>All Unit 2 Engagement Activities due at 11:55 pm</p>

Monday		Wednesday		Friday
<i>Unit 3: Firm Behavior in Markets that Aren't Perfectly Competitive</i>				
Oct 23 What's the Opposite?		25 Marginal Revenue (Chapter 15)		25 Price Setting
30 Setting Prices for the Huntsville Half Marathon		Nov 1 From Competition to Monopoly		3 Homework 5
6 The Spectrum of Competitiveness		8 Concentration		10 Oligopoly (A little bit of Chapter 17)
13 Product Heterogeneity		15 Monopolistic Competition (Chapter 16)		17 Homework 6  All Unit 3 Engagement Activities due at 11:55 pm
20 <b>Test 3</b>		Monday Nov. 27  The Absence of Competition and the Absence of Efficiency	Wednesday Nov. 29  Regulation and Antitrust	Dec. 1  No Class

**FINAL EXAM ADMINISTERED IN THE FINAL EXAM PERIOD: Mon., Dec. 4, 8 am -10 am**