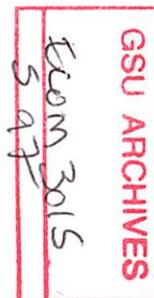


GOVERNORS STATE UNIVERSITY
COLLEGE OF BUSINESS AND PUBLIC ADMINISTRATION

COURSE TITLE: Principles of Microeconomics
INSTRUCTOR: Joe H. Davis
OFFICE PHONE: (708) 534-4930
COURSE NUMBER: ECON 301S
ROOM & TIME: Room 8-031
CREDITS: Three
TRIMESTER: Spring 1997
James R. Thompson Center
100 West Randolph - 8th Floor

RATIONALE: A knowledge of economics is essential for a proper understanding and appreciation of the society in which we live. Economic events permeate our social, political and cultural environment. Unfortunately, relatively few recognize the importance of understanding our economic system and economic ignorance is the rule. Without economic education how is it possible how is it possible for the citizen to make those decisions at election time regarding stands on such issues as inflation, unemployment, wage and price controls, "excess" profits, tax level changes, and the effects of the national debt?

More generally, a knowledge of economics can contribute to an understanding of the causes of the otherwise mysterious happenings just mentioned and thereby to a greater security of mind.



Economics may also be studied for its practical value in the business world. It can aid the business person to better understand the internal and external factors of affecting business operations involving supply and demand, choice of inputs, the level of production, prices, wages, profits, competition, labor relations and the impact of government regulations and expenditure.

READING:

An outline of the topics that will be discussed in the lectures is attached. Reading assignments to accompany the lectures are listed on the outline. In all, we will cover 17 chapters in the textbook. Several xeroxed work sheet assignments will also be distributed. It is the student's responsibility to complete the reading assignment even if the material is not covered in the lecture.

GRADES AND GRADING:

There will be two (2) midterm examinations that will together be worth 50% of the final grade. There will also be a comprehensive final examination that will be worth 50% of the final grade. The exams will consist entirely of multiple choice questions. There will be "extra credit". The examinations will cover materials contained in the textbook, handouts, readings and lectures. The student is, therefore, advised to take careful lecture notes. The University policy on the granting of grades of incomplete (I) will be scrupulously adhered to and the student is, therefore, advised to thoroughly familiarize himself with that policy. He should, in particular, be aware that the grade of I is not a substitute for poor performance, and that it will not be given simply because the student is not prepared for the final examination.

NOTES TO THE STUDENT:

The material that you will study in this class and the methods of analysis that you will be required to master will be entirely new to most of you. Therefore, it will require a major effort. The reward, however, will more than compensate for the effort. The student who successfully

masters the course material will have an understanding of the inflation, unemployment and wage and price controls, to name just a few topics, that will far exceed the knowledge of most journalists, politicians, and businessmen. In my opinion, the student wishing to successfully complete this course needs to (I) devote about five (5) hours per week outside of class to reading and study, and (II) adopt a systematic study strategy.

One such strategy is the following:

- a. Read the textbook chapter currently being discussed in the lectures.
- b. Do the exercises in the study guide, referring back to the textbook as much as necessary.
- c. Read the textbook chapter again, this time making a written outline of its major points.
- d. Take careful lecture notes and compare them with the textbook discussions for similarities and differences.
- e. Review all of your notes on a weekly basis.

STANDARDS OF CONDUCT:

Needless to say, students are expected to observe the College's standards of conduct. Additionally, sleeping, newspaper reading, and the use of headphone listening devices are strictly prohibited.

**INSTITUTIONAL
MODALITIES/
ACTIVITIES:**

The course will consist mainly of lecture/
discussion with some laboratory work
including written assignments and video
viewing.

TEXT: Economics, Ralph T. Byrns and Gerald W. Stone
6th edition

TOPICAL OUTLINE:

First Exam	Scarcity and Choice Resolving the Problems of Scarcity Demand and Supply Markets and Equilibrium
Second Exam	Elasticity Consumer Choice Theory of the Firms Production and Cost The Competitive Ideal
Final Exam	Monopoly Imperfect Competition Antitrust and Regulation Competition Labor Markets Rents, Interests, Profits and Capitalism Health Care International Trade