

COURSE SYLLABUS
ECON 2106 Business Economics Fall 2009

CONTACT INFORMATION:

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Class Times: 2:00 – 3:15 PM, Tuesday and Thursday, Room 3315 COBA Bldg.
Office Hours: 8:45 – 10:45 AM and 12:45 – 1:45 PM, Tuesday and Thursday, and by appointment
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PREREQUISITES: All students must complete ECON 2105 with a minimum grade of “C” before enrolling in this course.

TEXTBOOK: Michael Parkin. *Microeconomics*. 8th edition. (Pearson Education, Inc.: Boston, 2008). You are expected to bring your textbook to class each day.

COURSE DESCRIPTION:

This course is an analysis of the behavior of firms, workers, and consumers in perfectly competitive and imperfectly competitive markets. Particular emphasis is placed on firm behavior and how it is affected by the characteristics of the market in which it operates.

COURSE OBJECTIVE:

Upon completion of the course, you should understand supply and demand, elasticity, production, and costs. You should also understand the economic behavior of consumers and firms and should be able to compare and contrast the behavior of the firm in different market structures. You should understand how product prices are determined and should be able to apply economic analysis to current problems facing the United States and the world.

CALCULATOR: You are expected to bring a calculator to class each day. A cell phone or other communication device, such as a *Blackberry* or *iphone*, may not be used as a calculator on exams. You may not share a calculator with another student on an exam.

SCANTRON: You are expected to bring an ABF-882 scantron to each exam.

ATTENDANCE POLICY:

Attendance at all class sessions is mandatory. Attendance will be taken every day. If you arrive to class after attendance has been taken or leave

before class is finished you will be considered tardy. This policy begins on Thursday, August 20. Your course grade will be reduced for excessive unexcused absences as described below. Being tardy for class due to an unexcused reason will be counted as one-half of an absence in applying this policy. See the “Excused and Unexcused Absences” section of this syllabus for more information regarding the distinction between excused and unexcused absences.

Penalties for unexcused absences:

Four or fewer unexcused absences	no penalty
Five or six unexcused absences	one letter grade
Seven or eight unexcused absences	two letter grades
Nine or more unexcused absences	three letter grades

EXCUSED AND UNEXCUSED ABSENCES:

A distinction is made between excused and unexcused absences, as described below.

- (a) An absence will be considered excused if it is due to one of the following reasons:
1. sickness or injury (a note from the attending physician, nurse, or other health care provider is required for documentation);
 2. the death of an immediate family member or relative (a card or program from the funeral or memorial service is required for documentation);
 3. military obligations (a note from your commanding officer is required for documentation);
 4. jury duty or required participation as a witness in a trial (a note from the judge or the clerk of the court is required for documentation);
 5. participation in a Georgia Southern athletic game as a team member, trainer, equipment manager, cheerleader, or in some other official capacity (a note from the coach or director is required for documentation). This policy applies to NCAA-level sports but not to club sports.

In all cases, the documentation must include a mention of the specific date(s) you were unable to attend class.

- (b) Absences due to participation in activities affiliated with the organizations listed below are generally considered unexcused, but will be considered on a case-by-case basis. Such absences will be considered excused only if they are approved by Professor Levernier in advance.
1. honorary organizations;

2. student organizations affiliated with a college, department, or academic discipline.
- (c) Absences for most other reasons are considered unexcused. Such reasons include, but are not limited to:
1. job interviews and job-related duties;
 2. your wedding or the wedding of a friend or family member;
 3. visits to other colleges or universities that you are considering attending;
 4. taking an exam for the purpose of gaining admittance to graduate or professional school or to another university;
 5. taking the Regents' exam;
 6. family reunions;
 7. vacations, including Thanksgiving Break;
 8. the graduation of a friend or relative;
 9. internships;
 10. meetings with your academic advisor;
 11. meetings with instructors or university staff members;
 12. meetings with coaches of athletic teams or with directors of university organizations;
 13. exams, projects, field trips, or assignments for other courses;
 14. having insufficient time to travel to class from a previous class;
 15. participation in or attendance at political rallies or events;
 16. mechanical problems that render your automobile, bicycle, motorcycle, scooter, or other mode of transportation, inoperable;
 17. travel delays;
 18. practices for Georgia Southern University athletic teams;
 19. participation in a Georgia Southern club sport;
 20. social fraternity or sorority events;
 21. attending a presentation by a university-sponsored speaker;
 22. meetings with your probation officer;
 23. court appearances in which you are charged with a violation of the law;
 24. incarceration.

ASSIGNED SEATING:

On Thursday, August 20 you will select a desk which you will occupy for the remainder of the semester. Since you will sit there for the entire semester, you should arrive to class a few minutes early that day so you can select a choice location. If you have a disability (see the "Accommodations for Persons with Disabilities" section of the syllabus) that requires you to sit in a particular location, see Professor Levernier so he can assign you an appropriate place to sit.

EXCESSIVE EXCUSED ABSENCES:

Occasionally, a situation may arise that causes you to incur a large number of excused absences. For example, you might have a medical condition that causes you to either be frequently absent from class or to be absent from class for a prolonged period of time. If your number of excused absences exceeds nine, even if you have 0 (“zero”) unexcused absences, you will be required to write a research paper of at least 2500 words (approximately 10 pages) on an economic topic selected by Professor Levernier. The paper will be graded as either satisfactory or unsatisfactory. If the paper is graded as satisfactory, then your grade for the course will be computed as described in the “Course Grade” section of the syllabus. If the paper is graded as unsatisfactory, then your course grade will be penalized two letter grades. If you fail to turn in the paper by the due date, then your course grade will also be penalized two letter grades. The due date will be determined by Professor Levernier.

EXAMS:

Four exams, consisting of three mid-term exams and one final exam, will be given during the semester. The dates for the three mid-term exams will be announced approximately one week prior to the exam. The final exam will be given at 12:30 PM on December 10. Tests and test grades are open for discussion for one week after they have been returned. After that, they are not open for discussion and the test grade will not be changed.

FINAL EXAM CONFLICT:

If you have a conflict with your final exam, you must notify Professor Levernier no later than the end of class on Tuesday, December 1. If you fail to notify Professor Levernier by the end of class on December 1, you forfeit your right to re-schedule your final exam and will be required to take it at the time scheduled for your class in the Georgia Southern University Final Exam Schedule. The final exam schedule and the definition of a final exam conflict are available on the Georgia Southern University Registrar’s Office webpage.

ARRIVING LATE TO A MIDTERM EXAM:

If you arrive to a mid-term exam after another student has already taken the exam and left the classroom, you will not be allowed to take the exam and will receive a score of 0 (“zero”) on the exam.

MISSING THE FINAL EXAM OR ARRIVING LATE TO THE FINAL EXAM:

If you miss the final exam you will receive a score of 0 (“zero”) unless it is due to an excused absence. In such a case you will be required to provide Professor Levernier with appropriate documentation. Also, if you arrive late to the final exam after another student has finished the exam and left the classroom, you will not be allowed to take the exam and will receive a score of 0 (“zero”) on the exam. Remember, the time of the final

exam is different than the normal class time. Be aware of when your final exam is scheduled and make the necessary arrangements to arrive to the exam on time.

MISSED EXAM POLICY:

Make-up exams are not given under any circumstances. If you miss an exam, the score for the missed exam will be recorded as follows:

- (a) If you are absent from an exam due to an unexcused absence, your score for that exam will be 0 (“zero”).
- (b) If you are absent from one of the mid-term exams due to an excused absence, your final exam will be worth 200 points instead of 100 points. To avoid receiving a score of 0 (“zero”) on the missed exam, you must provide Professor Levernier with proper documentation within one week of your return to class.
- (c) If you are absent from more than one mid-term exam due to an excused absence, you must meet with Professor Levernier to discuss your situation as soon as possible after your second missed exam.
- (d) If you are absent from the final exam due to an excused absence, an appropriate accommodation will be made. In some cases, the accommodation may involve temporarily assigning you a grade of “I” (i.e., incomplete) and having you take the final exam after the semester has concluded. To avoid receiving a score of 0 (“zero”) on the exam, you must provide Professor Levernier with proper documentation as soon as possible.

COURSE GRADE: In the calculation of your course grade, each exam will be worth 100 points. As such, there are 400 total points available in the course. In the event that you miss one mid-term exam due to an excused absence, the final exam will be worth 200 points. In the event that you miss more than one mid-term exam due to excused absences, an appropriate adjustment will be made. Your course grade will be determined by the number of points you earn during the semester according to the following schedule:

Grade	Total Points Earned
A	360 points or more
B	320 – 359.9 points
C	280 – 319.9 points
D	240 – 279.9 points
F	Less than 240 points

COURSE SCHEDULING:

It is your responsibility to make sure that you have sufficient time to travel from your previous class so that you arrive to class on-time. If your previous class ends shortly before the start of this class and it is held in a location far from the COBA building, you may find it difficult to arrive to class on time. In such cases, you should make arrangements with the instructor of your previous course to leave his/her class a few minutes early each day to ensure that you arrive to this class on-time. If you are unable to reach an agreement with the instructor, you are strongly encouraged to rearrange your schedule or to drop this course.

DOCUMENTATION FOR EXCUSED ABSENCES:

If you miss a class for a valid reason you must notify Professor Levernier either prior to the absence or immediately upon your return to class. If you fail to notify Professor Levernier within one week of your return that you missed class for a valid reason, the absence will be considered unexcused. Also, if you fail to provide Professor Levernier with appropriate documentation for an absence within one week of your return to class, the absence will be considered unexcused, even if you provide appropriate documentation later. The documentation must include mention of the specific dates that you were absent from class.

MISSED MATERIAL:

You are responsible for all material covered in class, even if you are absent on the day it is covered.

HOMEWORK:

Optional homework will occasionally be assigned. It will not be collected or graded and will not affect your course grade.

USING A LAPTOP COMPUTER IN THE CLASSROOM:

You are not allowed to use a laptop computer during class at any time. This includes using a laptop computer to take lecture notes.

CLASSROOM BEHAVIOR AND CELL PHONE POLICY:

You are expected to be attentive and respectful during class so that you do not disturb the instructor or other students.

- (a) If you engage in disruptive or disrespectful behavior, Professor Levernier reserves the right to have you leave class for the remainder of the period. Behavior considered disruptive or disrespectful includes, but is not limited to:
1. studying other subjects;
 2. talking to other students while the instructor is lecturing;
 3. leaving the classroom and then returning;
 4. sleeping;
 5. sending or receiving text messages or surfing the internet;
 6. using a laptop computer;
 7. listening to an ipod, mp3 player, or other similar device;
 8. reading a newspaper, magazine, or book.
- (b) If you bring a cell phone to class you are expected to either turn it off or to select a setting that will prevent it from audibly ringing. If you are in possession of a cell phone that rings during class, Professor Levernier reserves the right to have you leave class for the remainder of the period. During exams you will not be allowed to use your cell phone as a calculator or for any other reason.

ACCOMMODATIONS FOR PERSONS WITH DISABILITIES:

If you have a documented disability that requires special accommodation you are advised to contact Professor Levernier as soon as possible so that appropriate accommodations can be made. To receive the accommodation you must provide Professor Levernier with documentation from the Georgia Southern University Student Disability Resource Center.

DROP DATE: The last day to drop a course without penalty is October 12.

E-MAIL: Electronic mail is an official means of communication from Professor Levernier. You are expected to check your Georgia Southern e-mail daily and to read the e-mails that Professor Levernier sends you. You are also expected to respond to Professor Levernier's e-mails when requested to do so. When you send an e-mail to Professor Levernier, send it to him at his Georgia Southern e-mail address (wlevernier@georgiasouthern.edu).

INCOMPLETE: An incomplete will only be given for non-academic reasons (e.g., a medical or family emergency).

ACADEMIC DISHONESTY:

Academic dishonesty will not be tolerated in this class. The minimum penalty for cheating, plagiarism, or any other form of academic dishonesty is a score of 0 ("zero") for the exam in question for all involved parties. The maximum penalty is a grade of 'F' for the course for all involved parties. Also, an incident report will be submitted to the Georgia Southern

University Dean of Students. The university may impose additional penalties beyond those stated above after the incident report is submitted.

The Georgia Southern Student Conduct Code defines cheating and plagiarism below (the list is not to be regarded as all-inclusive) and considers such acts to constitute academic dishonesty. The Student Conduct Code is available at <http://students.georgiasouthern.edu/sta/guide/GuideWeb.pdf>

(a) Cheating

1. submitting material that is not yours as part of your course performance;
2. using information or devices that are not allowed by the faculty;
3. obtaining and/or using unauthorized materials;
4. fabricating information, research, and/or results;
5. violating procedures prescribed to protect the integrity of an assignment, test, or other evaluation;
6. collaborating with others on assignments without the faculty's consent;
7. cooperating with and/or helping another student to cheat;
8. demonstrating any other forms of dishonest behavior.

(b) Plagiarism

1. directly quoting the words of others without using quotation marks or indented format to identify them;
2. using sources of information (published or unpublished) without identifying them;
3. paraphrasing materials or ideas without identifying the source;
4. unacknowledged use of materials prepared by another person or agency engaged in the selling of term papers or other academic material.

(c) Removal of an exam from the classroom or Dr. Levernier's office

You are prohibited from removing an exam from the classroom or from Professor Levernier's office. Removing an exam from the classroom or from Professor Levernier's office, even for a brief period, is considered an act of academic dishonesty and will result in the submission of an incident report to the Georgia Southern University Dean of Students. The penalty for removing an exam from the classroom or from Professor Levernier's office is a grade of "0" (zero) on the exam. The university may impose additional penalties after the incident report is filed.

(d) Being in possession of open notes or open textbook during an exam

You are prohibited from being in possession of open notes or an open textbook during an exam, even if you do not use them. Being in possession of open notes or an open textbook is considered an act of academic dishonesty and will result in the submission of an incident report to the Georgia Southern University Dean of Students. The penalty for possessing such material is a grade of “0” (zero) on the exam or quiz. The university may impose additional penalties after the incident report is filed.

(e) Communicating with another student during an exam

You are prohibited from communicating, either verbally, electronically, or in writing, with another student during an exam. Communicating with another person other than the instructor or test proctor, whether or not it is for the purpose of giving or receiving an answer regarding a question or problem on the exam, is considered an act of academic dishonesty and will result in the submission of an incident report to the Georgia Southern University Dean of Students. The penalty for such an action is a grade of “0” (zero) on the exam. The university may impose additional penalties after the incident report is filed.

POINTS NOT COVERED IN THIS SYLLABUS:

Professor Levernier has authority to rule on any point not specifically covered in this syllabus.

COURSE TOPICS: Listed below are potential topics that will be covered in the course.

Professor Levernier reserves the right to add, delete, or modify topics without prior notice.

Demand and Supply (Chapter 3)

Formulation of Supply and Demand

Factors Affecting Supply and Demand

Market Equilibrium: Price and Quantity

Surpluses and Shortages

Changes in Market Equilibrium

Elasticity (Chapter 4)

The Concept of Elasticity
The Price Elasticity of Demand
The Price Elasticity of Supply
The Income Elasticity of Demand
The Cross Elasticity of Demand
The Relationship Between Revenue and Elasticity

Efficiency and Equity (Chapter 5)

The Concept of Efficiency
Consumer Surplus
Producer Surplus
Consumer and Producer Surplus in an Efficient Market
Inefficient Markets and Deadweight Loss

Markets in Action (Chapter 6)

Housing Markets and Price Ceilings
Minimum Wage and Price Floors
Excise Taxes
Intervention in Agricultural Markets
Quotas and Tariffs: The Case of the Automobile Market

Households' Choice (Chapters 7 and 8)

Utility and Marginal Utility
Choice Sets
Utility Maximization and Consumer Equilibrium
Indifference Curves and Budget Constraints
Demand Curves and Consumer Equilibrium
Cash Transfers and Government Subsidies: The Case of Higher Education

Organizing Production (Chapter 9)

The Firm and Its Economic Problem
Profit Defined: Economic Profit versus Accounting Profit
Profit Maximization: The Total Revenue and Total Cost Approach
Profit Maximization: The Marginal Revenue and Marginal Cost Approach
Technology and Economic Efficiency
Information and Organization
Markets and the Competitive Environment
Measures of Concentration: The CR4, CR8, and HH

Output and Cost (Chapter 10)

Explicit and Implicit Costs
Fixed Inputs and Variable Inputs
Production in the Short-run
Production in the Long-run
The Relationship between Costs and Production
The Long-run Average Cost Curve

Perfect Competition (Chapter 11)

Characteristics of a Perfectly Competitive Industry
The Demand Curve for a Perfectly Competitive Firm
Determining the Profit Maximizing Output: Short-run Equilibrium
The Long-run Equilibrium for a Perfectly Competitive Firm
Long-Run Industry Supply: Constant Cost Industry

Monopoly (Chapter 12)

Characteristics of a Pure Monopoly Industry
The Demand Curve for a Pure Monopolist
Determining the Profit Maximizing Output
Comparison of the Competitive and Monopolist Equilibrium
Measuring Consumer Surplus and Producer Surplus
The Deadweight Loss of Monopoly

Monopolistic Competition and Oligopoly (Chapter 13)

Characteristics of a Monopolistically Competitive Market
The Demand Curve for a Monopolistically Competitive Firm
Determining Profit Maximizing Output: Short-run Equilibrium
The Long-run Equilibrium for a Monopolistically Competitive Firm
The Role of Advertising in Monopolistically Competitive Markets
Oligopolistic Interdependence
The Importance of Industry and Geographic Definitions
The Sweezy Demand Curve (i.e., Kinked Demand Curve) Model
The Cartel Model

If time permits, selected material from the following topics will be covered.

Regulation and Anti-trust Law (Chapter 14)

The Purpose of Anti-trust Laws
The Sherman Act, the Clayton Act, and the FTC Act
Mergers: Horizontal and Vertical
The DOJ and Federal Trade Commission Guidelines on Mergers
A Basic Model of Natural Monopoly
Regulation of a Natural Monopoly and the Averch-Johnson Affect

Markets for Factors of Production (Chapter 17)

Skill Differentials

Union-Nonunion Wage Differentials

Wage Differentials between Sexes and Races

Comparable-Worth Laws

Immigration

Income Inequality (Chapter 18)

Alternative Measures of Poverty Income Distribution: and the Gini Coefficient

Causes of Poverty and the Extent of Poverty in the United States

Income Inequality in the United States

Poverty and Income Inequality in Georgia