

**Course:** ECO402 : Economics Principles and Foundation

**Credit:** 4 Quarter Hours

**Method of Delivery:** eLearning

**Course Description:**

This course provides a foundation of microeconomic and macroeconomic principles as they apply to modern business practices and strategy. Market supply and demand will be analyzed with scarcity, opportunity cost, utility, elasticity at the consumer level, production costs, and profit maximization at the firm level. This course includes a study of market types and economic indicators, including growth, inflation, and unemployment. Fiscal policy, monetary policy, and international trade will be used to analyze the role of government and interdependence of nations in a globalized world.

**Prerequisite:** None

**Text(s) & Manual(s):**

*Economics*, 7th edition

**Author(s):** Hubbard, R. Glenn, O'briend, Anthony Patrick

**Publisher:** Pearson

**ISBN:** 9780134738321

**Materials Needed for this Course:**

Hardware/Software and Equipment:

- Windows 2000 (XP recommended)
- Microsoft Word, PowerPoint and Excel 2003
- Java Software: Java Runtime Environment Version 5.0 Update 5 (<http://java.com/en/download/index.jsp>)
- Sound card
- Up-to-date virus protection
- Internet Access (DSL or Cable Modem preferred)
- Microsoft Internet Explorer 5.0 or higher preferred

**Topics:**

- Chapter 1: Economics: Foundations and Models
- Chapter 2: Trade-offs, Comparative Advantage, and the Market System
- Chapter 3: Where Prices Come From: The Interaction of Demand and Supply
- Chapter 5: Externalities, Environmental Policy, and Public Goods
- Chapter 6: Elasticity: The Responsiveness of Demand and Supply
- Chapter 9: Comparative Advantage and the Gains from International Trade
- Chapter 10: Consumer Choice and Behavioral Economics
- **Chapter 11: Technology, Production, and Costs**
- **Chapter 12: Firms in Perfectly Competitive Markets**
- **Chapter 13: Monopolistic Competition: The Competitive Model in a More Realistic Setting**
- Chapter 14: Oligopoly: Firms in Less Competitive Markets
- Chapter 15: Monopoly and Antitrust Policy
- **Chapter 19: GDP: Measuring Total Production and Income**
- **Chapter 20: Unemployment and Inflation**

- **Chapter 21: Economic Growth, the Financial System, and Business Cycles**
- Chapter 22: Long-Run Economic Growth: Sources and Policies
- Chapter 23: Aggregate Expenditure and Output in the Short Run
- Chapter 24: Aggregate Demand and Aggregate Supply Analysis
- **Chapter 25: Money, Banks, and the Federal Reserve System**
- **Chapter 26: Monetary Policy**
- **Chapter 27: Fiscal Policy**
- **Chapter 28: Inflation, Unemployment, and Federal Reserve Policy**
- **Chapter 29: Macroeconomics in an Open Economy**
- **Chapter 30: The International Financial System**

**Learning Objectives:** Upon completion of this course, the student will be able to:

1. Identify introductory microeconomics concepts, macroeconomics concepts and the general nature of economics.
2. Describe the meaning of utility theory, and optimizing consumption choices.
3. Calculate elasticity's; including price, income, supply and cross-elasticity's and to formulate a sense of how this elasticity relates to total revenue.
4. Classify and discuss the issues relating to the various market models such as monopolistic competition, natural monopolies, oligopoly, and perfect competition and to be able to recognize the structure under which such market conditions exist.
5. Describe perfect competition and compare it to monopoly so that the student can gain an appreciation of the two extremes of the market economy.
6. Describe and discuss the process of market equilibrium as indicated by the theory of supply and demand, including the determinants that influence the shifts of the demand and supply curves.
7. Describe and discuss the issues related to employment and more importantly unemployment and inflation.
8. Analyze how economists define economic growth, and the relationship between economic growth and technology, research and development, and knowledge.
9. Describe Classical and Keynesian Macro analyses and relate these models with consumption, income, and the multiplier effect.
10. Describe the goals and tools of monetary and fiscal policy and how these policies can be used to expand or contract an economy.
11. Analyze the issues of the global economy including comparative advantage and the open economy, exchange rates and the balance of payments and other issues related to the to the global economy.

**Midstate Grading Scale:**

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

**Midstate Plagiarism Policy:** Plagiarism is using another person's words, either by paraphrase or direct quotation, without giving credit to the author(s). Plagiarism can also consist of cutting and pasting material from electronic sources by submitting all or a portion of work for assignment credit. This includes papers, computer programs, music, sculptures, paintings, photographs, etc. authored by another person without explicitly citing the original source(s). These actions violate the trust and honesty expected in academic work. Plagiarism is strictly against the academic policy of Midstate College. Its seriousness requires a measured, forceful response which includes consequences for inappropriate and/or no citation.

In courses containing writing assignments, The College promotes the use of an electronic resource which compares the student's writing against previously submitted papers, journals, periodicals, books, and web pages. Students and Instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

**Student Success:**

The Office of Student Success is available to students seeking tutoring for individual classes or who need assistance with writing assignments. Information is also available on test taking techniques, how to take notes, developing good study skills, etc. Contact Student Success in Room 110 (in person); (309) 692-4092, extension 1100 (phone), [studentsuccess@midstate.edu](mailto:studentsuccess@midstate.edu) (email).

**Instructor:**

Name: Jamie Gladfelter  
Midstate e-mail: [jgladfelter@midstate.edu](mailto:jgladfelter@midstate.edu)  
Live Chat Hours: Wednesday 2 - 3 pm CST  
Room: Off-campus instructor

**Policies and Procedures:** No late or make-up work is accepted after week 11. Late work will be accepted with a 10% penalty for each 24 hour period that it is late. Your attendance will be determined for each week by whether or not you made a post to the Discussion Forum.

**Participation Requirements:** You are required to submit a summary of the material for each week to the appropriate drop box (i.e. Week #1 Summary Drop Box). This summary will help the instructor determine if you are learning the material. Each weekly summary is due at the end of the week. For details on the assignment, refer to the summary instructions, which are presented each week by the faculty member. Students are not expected to respond to a summary question on the weeks of the mid-term and final exam.

In addition, you are required to post to the Discussion Forum each week or you will lose participation points. If you are not participating, faculty will send you a private e-mail to determine if you want to drop the class.

**Examination Information:** a mid-term and final examination will be given in the course.

**Methods of Evaluating Student Performance:** Quizzes, summary questions, participation, a short paper, mid-term and final exams will be used to evaluate student performance. Please see the instructor's grading scale for the weight of each assignment.

**Term Paper:** As part of an effort to incorporate writing into the curriculum, you are required to write a 2-3 page paper on a topic relevant to the course material. This paper can be completed at any time in the term, but must be turned in by the end of Week 11. Details about the paper will be announced at a later date.

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 Summer 2019

**Instructor's Grading Scale:**

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

Participation	50 points
Summary questions	50 points
Weekly Quizzes	100 points
Term Paper	50 points
Mid-term exam	100 points
Final exam	100 points

**Weekly Breakdown:**

	Summary	Participation	Quiz	Paper	Exams
Week 1	5	5	10		
Week 2	5	5	10		
Week 3	5	5	10		
Week 4	5	5	10		
Week 5	5	5	10		
Week 6					100
Week 7	5	5	10		
Week 8	5	5	10		
Week 9	5	5	10		
Week 10	5	5	10		
Week 11	5	5	10	50	
Week 12					100
<b>Totals:</b>	<b>50</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>200</b>

**Week-by-Week Course Overview**

**Note:** The instructor reserves the right to modify the syllabus at any time should that action be deemed necessary.

**WEEK 1:**

## Topics

- Chapter 1: Economics: Foundations and Models
- Chapter 2: Trade-offs, Comparative Advantage, and the Market System
- Chapter 3: Where Prices Come From: The Interaction of Demand and Supply

## Objectives

- Identify introductory microeconomics concepts, macroeconomics concepts and the general nature of economics.
- Describe the meaning of utility theory, and optimizing consumption choices.
- Describe and discuss the process of market equilibrium as indicated by the theory of supply and demand, including the determinants that influence the shifts of the demand and supply curves.

## Assignments

1. Respond to the question in ECO 402 Week 1 Discussion Forum.
2. Take the Pre-Test Quiz. All students that take the quiz will receive 10 points for the "Quiz" grade for that week.
3. Read Chapters 1 – 3 in Hubbard.
4. Submit your weekly summary to the ECO 402 Week 1 Summary Drop-Box.

## WEEK 2:

### Topics

- Chapter 5: Externalities, Environmental Policy, and Public Goods
- Chapter 6: Elasticity: The Responsiveness of Demand and Supply

### Objectives

Upon completion of this week, the student will be able to:

- Calculate elasticity's; including price, income, supply and cross-elasticity's and to formulate a sense of how this elasticity's relate total revenues.

### Assignments

1. The Week 2 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 2 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 2 Summary Drop-Box.

4. Read Chapters 5 & 6 in Hubbard.

### WEEK 3:

#### Topics

- Chapter 9: Comparative Advantage and the Gains from International Trade
- Chapter 10: Consumer Choice and Behavioral Economics

#### Objectives

Upon completion of this week, the student will be able to:

- Describe the meaning of utility theory, and optimizing consumption choices.

#### Assignments

1. The Week 3 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 3 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 3 Summary Drop-Box.
4. Read Chapter 9 & 10 in Hubbard.

### WEEK 4:

#### Topics

- **Chapter 11: Technology, Production, and Costs**
- **Chapter 12: Firms in Perfectly Competitive Markets**
- **Chapter 13: Monopolistic Competition: The Competitive Model in a More Realistic Setting**

#### Objectives

Upon completion of this week, the student will be able to:

- **Classify and discuss the issues relating to the various market models such as monopolistic competition, natural monopolies, oligopoly, and perfect competition and to be able to recognize the structure under which such market conditions exist**
- **Describe and discuss the process of market equilibrium as indicated by the theory of supply and demand, including the determinants that influence the shifts of the demand and supply curves.**

- Describe perfect competition and compare it to monopoly so that the student can gain an appreciation of the two extremes of the market economy.

### Assignments

1. The Week 4 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 4 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 4 Summary Drop-Box.
4. Read Chapter 11 - 13 in Hubbard.

### WEEK 5:

#### Topics

- Chapter 14: Oligopoly: Firms in Less Competitive Markets
- Chapter 15: Monopoly and Antitrust Policy

#### Objectives

Upon completion of this week, the student will be able to:

- Classify and discuss the issues relating to the various market models such as monopolistic competition, natural monopolies, oligopoly, and perfect competition and to be able to recognize the structure under which such market conditions exist
- Describe and discuss the process of market equilibrium as indicated by the theory of supply and demand, including the determinants that influence the shifts of the demand and supply curves.

### Assignments

1. The Week 5 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 5 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 5 Summary Drop-Box.
4. Read Chapter 14 & 15 in Hubbard.

### WEEK 6:

#### Topics

- No assigned reading this week. The Midterm Exam covers all reading from Weeks 1-5.

### Assignments

1. Take the Midterm Exam posted in the ECO 402 Week 6 folder. The Exam will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. There are no Participation or Weekly Summary requirements for this week, although there will be a Discussion Forum you may use to post questions or concerns about the Midterm Exam.

### WEEK 7:

#### Topics

- **Chapter 19: GDP: Measuring Total Production and Income**
- **Chapter 20: Unemployment and Inflation**
- **Chapter 21: Economic Growth, the Financial System, and Business Cycles**

#### Objectives

Upon completion of this week, the student will be able to:

- **Describe and discuss the issues related to employment and more importantly unemployment and inflation.**
- **Analyze how economists define economic growth, and the relationship between economic growth and technology, research and development, and knowledge.**

#### Assignments

1. The Week 7 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 7 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 7 Summary Drop-Box.
4. Read Chapter 19 - 21 in Hubbard.

### WEEK 8:

#### Topics

- Chapter 22: Long-Run Economic Growth: Sources and Policies
- Chapter 23: Aggregate Expenditure and Output in the Short Run

- Chapter 24: Aggregate Demand and Aggregate Supply Analysis

### Objectives

Upon completion of this week, the student will be able to:

- **Analyze how economists define economic growth, and the relationship between economic growth and technology, research and development, and knowledge.**
- **Describe Classical and Keynesian Macro analyses and relate these models with consumption, income, and the multiplier effect**

### Assignments

1. The Week 8 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 8 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 8 Summary Drop-Box.
4. Read Chapter 22 - 24 in Hubbard.

## WEEK 9:

### Topics

- **Chapter 25: Money, Banks, and the Federal Reserve System**
- **Chapter 26: Monetary Policy**

### Objectives

Upon completion of this week, the student will be able to:

- Describe the goals and tools of monetary and fiscal policy and how these policies can be used to expand or contract an economy.

### Assignments

1. The Week 9 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 9 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 9 Summary Drop-Box.
4. Read Chapter 25 & 26 in Hubbard.

## **WEEK 10:**

### **Topics**

- **Chapter 27: Fiscal Policy**
- **Chapter 28: Inflation, Unemployment, and Federal Reserve Policy**

### **Objectives**

Upon completion of this week, the student will be able to:

- Describe the goals and tools of monetary and fiscal policy and how these policies can be used to expand or contract an economy.

### **Assignments**

1. The Week 10 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7
2. Respond to the question in ECO 402 Week 10 Discussion Forum.
3. Submit your weekly summary to the ECO 402 Week 10 Summary Drop-Box.
4. Read Chapter 27 & 28 in Hubbard.
5. Complete the eLearning instructor evaluation. The link to complete the evaluation will be posted in the ECO 402 Week 10 Folder.

## **WEEK 11:**

### **Topics**

- **Chapter 29: Macroeconomics in an Open Economy**
- **Chapter 30: The International Financial System**

### **Objectives**

Upon completion of this week, the student will be able to:

- Analyze the issues of the global economy including comparative advantage and the open economy, exchange rates and the balance of payments and other issues related to the to the global economy.

### **Assignments**

1. The Week 11 quiz will be posted by noon on Day 1. The quiz is to be completed by midnight on Day 7.
2. Respond to the question in ECO 402 Week 11 Discussion Forum.

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3. Submit your weekly summary to the ECO 402 Week 11 Summary Drop-Box.
4. Submit Term Paper if haven't already done so.
4. Read Chapter 29 & 30 in Hubbard.

**WEEK 12:**

**Topics**

- No assigned reading this week.

**Assignments**

1. Take the Final Exam posted in the ECO 402 Week 12 folder. The Exam will be posted by noon on Day 1 and must be completed by midnight on Day 7. There is no Discussion Forum or Weekly Summary for this week. Good luck!