

**Course Outline for ECON 1
 PRINCIPLES OF MICROECONOMICS**

Effective: Fall 2017

I. CATALOG DESCRIPTION:

ECON 1 — PRINCIPLES OF MICROECONOMICS — 3.00 units

Economic analysis of market systems, price theory, including supply and demand analysis, marginal utility, elasticity, cost and revenue concepts, perfect and imperfect competition, international trade theory, pricing of the factors of production, poverty and income inequalities.

3.00 Units Lecture

Prerequisite

MATH 55 - Intermediate Algebra for BSTEM
 or

MATH 55B - Intermediate Algebra for STEM B
 and

ENG 104 - Integrated Reading and Writing II

Grading Methods:

Letter or P/NP

Discipline:

	MIN
Lecture Hours:	54.00
Expected Outside of Class Hours:	108.00
Total Hours:	162.00

II. NUMBER OF TIMES COURSE MAY BE TAKEN FOR CREDIT: 1

III. PREREQUISITE AND/OR ADVISORY SKILLS:

Before entering the course a student should be able to:

- A. MATH55
- B. MATH55B
- C. ENG104

IV. MEASURABLE OBJECTIVES:

Upon completion of this course, the student should be able to:

- A. define scarcity and explain how it relates to choices of individuals in the economy
- B. define comparative advantage and show how it facilitates gains from trade
- C. define market and explain how market forces of supply and demand lead to efficient allocation of goods, services, and factors of production
- D. define elasticity and apply it in market analysis
- E. define market failure and evaluate alternative policy solutions
- F. explain the theory of the firm's behavior
- G. use microeconomic models to show how prices and output are determined in various market structures
- H. demonstrate an ability to apply basic microeconomic concepts to business, social and personal issues

V. CONTENT:

- A. Principles of Economics
 - 1. How people make decisions
 - 2. How people interact
 - 3. How the Economy as a whole works
- B. Thinking like an Economist
 - 1. The Economist as scientist
 - 2. The Economist as policy advisor
 - 3. The Economist as scientist

- C. Interdependence and the Gains from Trade
 - 1. Comparative advantage: the driving force of specialization
 - 2. Applications of comparative advantage
- D. The Market Forces of Supply and Demand
 - 1. Markets and competition
 - 2. Demand
 - 3. Supply
 - 4. Supply and demand together
 - 5. How prices allocate resources
- E. Elasticity and its Application
 - 1. The elasticity of demand
 - 2. The elasticity of supply
 - 3. Applications of supply, demand and elasticity
- F. Supply, Demand and Government Policies
 - 1. Controls on prices
 - 2. Taxes
- G. Externalities
 - 1. Externalities and market inefficiency
 - 2. Public policies towards externalities
- H. The Costs of Production
 - 1. Production and costs
 - 2. The various measures of costs
- I. Firms in Competitive Markets
 - 1. Competitive market
 - 2. Profit maximization
 - 3. Supply curve in a competitive market
- J. Monopoly
 - 1. Causes of monopolies
 - 2. Monopoly productions and pricing decisions
 - 3. Price discrimination
- K. Monopolistic Competition
 - 1. Competition with differentiated products
 - 2. Advertising
- L. Oligopoly
 - 1. Markets with only few sellers
 - 2. The Economics of cooperation

VI. METHODS OF INSTRUCTION:

- A. **Classroom Activity** - students may be required to complete in-class assignments to apply concepts they learned about
- B. **Lecture** - students should be ready to take detailed notes
- C. **Research** - students may be expected to research selected microeconomic topics to produce written papers and/or presentations
- D. **Discussion** - students will be encouraged to ask and answer questions

VII. TYPICAL ASSIGNMENTS:

- A. Students are expected to read assigned sections of the textbook before each class.
 - 1. Answer questions regarding each week's reading material(s)
 - 2. Ask questions that clear up any gaps in the student's understanding of the assigned reading material(s)
 - 3. Participate intelligently in answering other student's and the instructor's in-class questions
- B. Students are to complete a research project on a microeconomic topic chosen from a list provided by an instructor
 - 1. Using print and online resources effectively, conduct a search by subject for relevant articles
 - 2. Note relevant information from acquired materials, analyze the information using basic microeconomic concepts, and organize it in a logical order
 - 3. Present the information in form of a Power Point presentation or a term paper

VIII. EVALUATION:

A. **Methods**

- 1. Exams/Tests
- 2. Quizzes
- 3. Home Work

B. **Frequency**

- 1. Tests are scheduled based on the instructors' philosophy. Typically two tests are the minimum, including final examination administered at the end of the term.
- 2. Quizzes may be administered based on the instructor's philosophy.
- 3. Homework and other graded assignments, which may include research projects and/or papers, are administered based on the instructors' philosophy.

IX. TYPICAL TEXTS:

- 1. Mankiw, Gregory. *Principles of Microeconomics*. 7th ed., Cengage Learning, 2015.
- 2. Hall, Robert, and Marc Lieberman. *Microeconomics: Principles and Applications*. 6th ed., Cengage Learning, 2013.
- 3. Chiang, Eric, and Gerald Stone. *CoreMicroeconomics*. 3rd ed., Worth Publishers, 2014.

X. OTHER MATERIALS REQUIRED OF STUDENTS:

- A. Scantron forms for tests
- B. #2 pencil for tests
- C. Computer/Internet access may be required