I. OVERVIEW

The following information will appear in the 2009 - 2010 catalog

**ECON-102 Economic Principles: Microeconomics** 3 Units

**Prerequisite:** Satisfactory completion of MATH 90 and .

**Advisory:** Before enrolling in this course, students are strongly advised to have college level composition skills.

An introductory course focusing on individual economic decision-making. Topics include scarcity, opportunity costs, comparative advantage, market structure and market failure, elasticity, cost theory, price and output determination under various market structures and factor markets. Related topics such as international trade, public choice, income distribution, externalities and government regulation may be included. Field trips are not required. Course is applicable to the associate degree. General Education: CSU-GE - D2

IGETC Category: IGETC - 4B

II. LEARNING CONTEXT

Given the following learning context, the student who satisfactorily completes this course should be able to achieve the goals specified in Section III, Desired Learning:

A. COURSE CONTENT

1. **Required Content:**

   a. Fundamentals of economics thinking
   
   b. How markets operate
   
   c. Elasticity of demand and supply
   
   d. Price controls, taxes and their effects on markets
   
   e. Production costs
   
   f. Market structure
   
   g. Market failure and public policy
   
   h. Factor markets: land, labor, & capital
   
   i. Comparative advantage and international trade

2. **Recommended Content:**

   a. Environmental economics
   
   b. Tax analysis
   
   c. Private property rights
   
   d. Public property issues
B. ENROLLMENT RESTRICTIONS

1. Prerequisites
   Satisfactory completion of MATH 90 and.

2. Advisories
   Before enrolling in this course, students are strongly advised to have college level composition skills.

3. Requisite Skills
   Before entering the course, the student will be able to:
   a. Using equations
   b. Solving for unknowns
   c. Graphing

C. HOURS AND UNITS

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<thead>
<tr>
<th>INST METHOD</th>
<th>TERM HOURS</th>
<th>UNITS</th>
</tr>
</thead>
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<tr>
<td>Lect</td>
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<td>3.00</td>
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<tr>
<td>Lab</td>
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<td>Disc</td>
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3 Units

D. METHODS OF INSTRUCTION (TYPICAL)

Instructors of the course might conduct the course using the following method:

1. Basic microeconomic concepts may be presented through classroom lectures, discussions, reading and writing, electronic media.

2. Presentations may be enhanced through the use of multimedia techniques that include overhead projector slides, videos, computer presentation software, and tutorial software.

3. Student assignments may include the following: mathematical problem solving, graphing exercises, essays, term papers, group and individual presentations, computer tutorial software exercises, electronic spreadsheet exercises, current event reports.

4. Electronic media, including video, DVD, CD-ROM, and the Internet, may be used for presentation of material.

5. Reading assignments and class discussions of controversial issues in economics.

6. Collaborative exercises in class that involve mathematical problem-solving, analytical writing, and evaluation of each others' work in the context of economic concepts, theories, and issues.

7. Writing and discussion assignments in which students describe current economic events and issues, apply the thinking of economics to those events and issues, and make recommendations for a change in the context of economic political decision making in our society.

8. Students will complete simple research and analysis using data sources from the library, and the Internet.
E. ASSIGNMENTS (TYPICAL)

1. **EVIDENCE OF APPROPRIATE WORKLOAD FOR COURSE UNITS**
   
   *Time spent on coursework in addition to hours of instruction (lecture hours)*
   
   a. Weekly reading assignments
   
   b. Weekly homework covering reading and lecture material that includes definitions, economic models, mathematical problem solving and analysis, application of economic ideas and concepts to individual, business and market decision-making.
   
   c. Study for section tests that cover major areas of the material, that are given throughout the semester, and that include demonstration of objective, conceptual, mathematical and analytical understanding of the course material.
   
   d. Study for final exam that demonstrates students’ understanding of the overall course material.

2. **EVIDENCE OF CRITICAL THINKING**
   
   *Assignments require the appropriate level of critical thinking*
   
   **Weekly problem sets** that serve as tutorials as well as test the students understanding of the material:
   
   * Define scarcity.
   
   * Illustrate an increase in supply with a supply and demand graph and explain the change in equilibrium price and quantity.
   
   **Section tests** that include multiple choice, problem-solving and short answer questions:
   
   * The law of demand is captured in which of the following sentences:
     A. "As the price of cookies increases, the quantity of cookies demanded decreases."
     B. "As the price of milk increases, the demand curve for cookies shifts to the left."
     C. "If cookies are a normal good, then an increase in income causes the quantity of cookies demanded to increase."
     D. "As the price of cookies increases, the quantity of cookies demanded increases."
   
   Consider public policy aimed at smoking:
   a. Studies indicate that the price elasticity of demand for cigarettes is about 0.4. If a pack of cigarettes currently costs $2 and the government wants to reduce smoking by 20%, by how much should it increase the price?
   b. If the government permanently increases the price of cigarettes, will the policy have a larger effect on smoking one year from now or five years from now?
   c. Studies also find that teenagers have a higher price elasticity than do adults. Why might this be true?

   **Essays or short research paper** that require students to apply course concepts to the real world:
   
   * Describe a current event and show how it illustrates the model of supply and demand.
   
   * Find information about a recent trade agreement or trade dispute. In the case you’ve chosen, who do you think are the winners and losers from free trade? Which group has more political clout? (Note: places to look for this information include the Web sites of the World Trade Organization (http://www.wto.org), the US International Trade Commission (http://www.usitc.gov), and the International Trade Administration in the Department of Commerce (http://www.ita.doc.gov)).

F. **TEXTS AND OTHER READINGS (TYPICAL)**

III. **DESIRED LEARNING**

A. **COURSE GOAL**  
*As a result of satisfactory completion of this course, the student should be prepared to:*  

Describe and evaluate decision-making of individuals and businesses using microeconomic models of market structure and supply and demand, as well as evaluate and understand appropriate government actions in response to market failure.

B. **STUDENT LEARNING GOALS**  
*Mastery of the following learning goals will enable the student to achieve the overall course goal.*

1. **Required Learning Goals**  
*Upon satisfactory completion of this course, the student will be able to:*  

a. Define scarcity, and show how it relates to the concepts of choice and cost;  
b. Outline the role of comparative advantage in exchange;  
c. Explain how prices are determined and the role of prices in allocating goods, services and factors of production;  
d. Define and apply the concept of elasticity;  
e. Explain the economic behavior of individual firms in the short run and the long run  
f. Use microeconomic models to illustrate how prices and output are determined in various market structures;  
g. Define economic efficiency and compare the implications for economic efficiency under different market structures;  
h. Identify instances of market failure and evaluate alternative government and market strategies to improve outcomes.

IV. **METHODS OF ASSESSMENT (TYPICAL)**

A. **FORMATIVE ASSESSMENT**

1. Class discussion of microeconomic issues  
2. Collaborative exercises in class: writing and problem-solving  
3. Computer exercises  
4. Essay, problem-solving exams  
5. Objective tests and quizzes  
6. Writing assignments: essays on current events, term papers, research projects

B. **SUMMATIVE ASSESSMENT**

1. Final Exam: including objective, mathematical and analytical problems