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Economics (ECON) 2120 Principles of Economics--Micro (3 Units) CSU: UC
[formerly Economics 1B]

Prerequisite: Successful completion in Mathematics 1050 or equivalent

Prerequisite knowledge/skills: Before entering the course, the student should be able to

1. use inequality symbols and exponents, and apply order of operations rules in complex calculations,
2. identify numbers as belonging to specified sets, such as rational numbers, and graph numbers on the real number line,
3. perform the basic arithmetic operations with positive and negative real numbers, using the number line to clarify addition and subtraction processes,
4. know the properties of addition and multiplication for real numbers and identify their use in practice,
5. solve linear equations and inequalities in one variable, and analyze and solve word problems leading to linear equations,
6. solve formulas for specified variables and use the resulting equations in solving word problems,
7. set up and solve problems involving the use of ratios and proportions,
8. know and apply the rules of exponents using integral exponents, and use scientific notation,
9. perform addition, subtraction, multiplication and division of polynomials,
10. factor simple polynomials, with special emphasis on trinomials quadratic in form and special factorizations, and solve related polynomial equations,
11. analyze and solve word problems requiring the setting up and solution of factorable quadratic equations,
12. graph points representing specified ordered pairs using a standard two dimensional rectangular coordinate systems. Graph a straight line from ordered pairs obtained from its equation,
13. determine the slope of a line between any specified pair of points,
14. know the slope-intercept and point-slope forms of the equation of a straight line, and be able to determine the equation of a particular straight line from specified input information,
15. solve and graph linear inequalities in two variables,
16. solve linear systems of equations in two variables both graphically and algebraically, and recognize inconsistent and dependent systems,
17. analyze and solve word problems requiring the use of linear systems of equations in two variables,
18. solve linear systems of inequalities in two variables graphically, and
19. find the value of integral roots of positive real numbers.



Total Hours: 48 hours lecture

Catalog Description:

This is an introductory course focusing on choices of individual economic decision-makers. Topics include scarcity, specialization and trade, market equilibrium, elasticity, production and cost theory, market structures, factor markets, and market failure. C-ID: ECON 201

Type of Class/Course: Degree Credit

Text:

Miller, Roger L. *Economics Today*. 18th ed., Pearson, 2016.

Additional Required Materials: None

Course Objectives:

By the end of the course, a successful student will be able to:

1. Utilize the concept of scarcity to explain economic trade-offs, opportunity costs, and rational behavior.
2. Calculate and interpret measures of elasticity.
3. Demonstrate how markets function and what happens in the presence of market failures.
4. Analyze production and costs of the firm.
5. Demonstrate how firms attempt to optimize their objectives in response to price signals under a variety of market structures in the short and long-run.

Course Scope and Content:

Unit I Fundamentals of Economic Thinking

- A. Scarcity
- B. Opportunity Costs
- C. Production Possibilities
- D. Marginal Analysis
- E. Rational Behavior
- F. Positive v. Normative Distinction

Unit II How Markets Operate

- A. Definition of a market
- B. Factors of production

- C. Supply and demand
- D. Price mechanism
- E. Producer and consumer surplus
- F. Price controls

Unit III Elasticity

- A. Price elasticity
- B. Elasticity and total revenues
- C. Determinants of the price elasticity of demand
- D. Cross price elasticity of demand
- E. Income elasticity of demand
- F. Price elasticity of supply

Unit IV Consumer demand

- A. Utility theory
- B. Diminishing marginal utility
- C. Optimizing consumption choices

Unit V Production and cost in the firm

- A. Introduction to the production function
- B. Marginal and average product
- C. Law of diminishing returns
- D. Explicit and implicit cost
- E. Accounting profit v. economic profit
- F. Total cost, average cost and marginal cost in short-run
- G. Short-run production decisions
- H. Long run average cost curve
- I. Economies and diseconomies of scale

Unit VI Market structures

- A. Perfect competition
- B. Monopoly
- C. Monopolistic competition
- D. Oligopoly

Unit VII Introduction to factor markets

- A. Labor demand for a perfectly competitive firm
- B. Market demand for labor
- C. Wage determination in a perfectly competitive labor market
- D. Monopoly in the product market
- E. Utilization of other factors of production

Unit VIII Market failure and public policy

- A. Limits of a price system
- B. Correcting for externalities
- C. Economic functions of government

D. Public spending

Unit IX Specialization and gains from trade

- A. Importance of international trade
- B. Comparative advantage
- C. Imports and exports
- D. International competitiveness
- E. Arguments against free trade
- F. Ways to restrict free trade
- G. International trade organizations

Learning Activities Required Outside of Class:

The students in this class will spend a minimum of 6 hours per week outside of the regular class time doing the following:

1. Studying class notes
2. Answering questions
3. Completing required reading
4. Performing problem solving activities or exercises
5. Doing written work
6. Participating in group projects

Methods of Instructions:

1. Lectures
2. Demonstrations of sample problems on blackboard
3. Assigned problems from the text
4. Multimedia presentations
5. Group explorations
6. Case studies and scenarios

Method of Evaluation:

1. Writing assignments, including:
 - a. written homework from chapters
 - b. group reports
 - c. topic paper written under American Psychological Association (APA) style guide
 - d. chapter critical analysis reflections
 - e. case studies
 - f. scenarios
 - g. simulations
2. Problem-solving demonstrations, including:
 - a. exams
 - b. homework problems

- c. laboratory reports
 - d. case study recommendations and solutions
3. Other summative examinations using combinations of:
- a. multiple choice questions
 - b. matching items
 - c. true/false questions
 - d. short answer questions
 - e. fill in the blank responses
4. Participation including:
- a. role-playing and group activities
 - b. oral presentations and demonstrations
 - c. discussion responses
 - d. scenario reflections
5. Projects including:
- a. multimedia presentations
 - b. business scenario responses
 - c. action plans
 - d. formal written reports
 - e. portfolios
 - f. community service projects
 - g. building new case studies

Supplemental Data:

TOP Code:	220400: Economics
SAM Priority Code:	E: Non-Occupational
Distance Education:	Online; Offline
Funding Agency:	Y: Not Applicable(funds not used)
Program Status:	1: Program Applicable
Noncredit Category:	Y: Not Applicable, Credit Course
Special Class Status:	N: Course is not a special class



Basic Skills Status:	N: Course is not a basic skills course
Prior to College Level:	Y: Not applicable
Cooperative Work Experience:	N: Is not part of a cooperative work experience education program
Eligible for Credit by Exam:	NO
Eligible for Pass/No Pass:	C: Pass/No Pass
Taft College General Education:	CSD: CSU Area D IG4B: IGETC Area 4B LSBS: Local GE Social/Behavioral Sci