CUYAMACA COLLEGE
COURSE OUTLINE OF RECORD

Economics C2001 – Principles of Microeconomics

3 hours lecture, 3 units

Catalog Description
An introductory course using microeconomic models to understand individual decisions by consumers and firms, market outcomes including market failure, elasticity, market structures, labor markets, inequality, and the impact of government policies.

Formerly ECON 121. Not open to students with credit in ECON 121.

Prerequisite
Placement as determined by the college's multiple measures assessment process or completion of a course taught at or above the level of elementary algebra.

Entrance Skills
Without the following skills, competencies and/or knowledge, students entering this course will be highly unlikely to succeed:
1) Work with, understand, and use algebraic terminology.
2) Write the equation of a line given a graph, two points, or a point and a slope.
3) Graph the equation of a line and a quadratic.
4) Solve equations and inequalities using the basic operations on complex numbers and statements including absolute value.
5) Translate sigma notation and write out sum of terms.
6) Recognize an arithmetic sequence.
7) Recognize a geometric sequence.
8) Simplify radical expressions using the basic operations.
9) Simplify and evaluate expressions involving integer exponents and rational exponents.
10) Use scientific notation.

Course Content
Part 1: Required Topics (Identical):
1. Fundamentals of economic thinking
   a. Scarcity / opportunity costs
   b. Factors of production / production possibilities
   c. Specialization and gains from trade
   d. Marginal analysis
   e. Rational behavior
   f. Economic models and research methodology
2. How markets operate
   a. Definition of a market
   b. Supply and demand model
   c. Producer / consumer surplus and efficiency
   d. Government intervention
3. Elasticity
4. Consumer theory / demand
5. Producer theory

   a. Production and costs
   b. Accounting / economic profit
   c. Short- and long-run production decisions
   d. Industry structure
6. Market structures
   a. Perfect competition
   b. Monopoly
   c. Monopolistic competition
   d. Oligopoly and game theory
7. Labor markets
8. Market failure and public policy
   a. Externalities
   b. Public goods
   c. Imperfect competition
   d. Efficiency vs. equity

Part 2: Optional Expanded or Additional Topics (optional):

1) Price controls, taxes and their effects on markets
2) Factor markets
3) International trade and finance
4) Game Theory

Course Objectives

Part 1 (Identical and Required):

At the conclusion of this course, the student should be able to (Identical and Required):

1. Perform and interpret microeconomic calculations.
2. Apply microeconomic models to analyze market outcomes, including market failures and government policies.
3. Model how consumers and firms make decisions under a variety of market structures.

Part 2 (optional):

At the conclusion of this course, the student should be able to:

1) Describe and illustrate the workings of a market economy using the supply and demand model and related tools.
2) Demonstrate a thorough knowledge of basic economic terminology to enable him/her to interpret and analyze current and past economic events.
3) Critically analyze the political-economic pronouncements of government and corporate officials with the view of becoming a more informed citizen and voter.
4) Compare and contrast various microeconomic theories to evaluate the proper role of government in the United States economy in a market maintaining competition, producing public goods, adjusting for external costs and benefits, and assuring an equitable distribution of income.
5) Examine and evaluate the major political-economic paradigms in the light of accumulated empirical evidence and their own value system.
6) Using basic economic principles, identify the consequences of scarcity, and explain how changes in opportunity cost affect behavior.
7) Using the model of supply and demand, describe how the interaction of supply and demand in a market determines market price and quantity, illustrate how markets react to excess demand and supply, and illustrate how price floors, price ceilings and taxes affect market outcomes.
8) Using formulas introduced in class, compute the price elasticity of demand, cross elasticity of demand, income elasticity of demand, and the price elasticity of supply; explain the relationship between elastic, inelastic and unit elastic demand and total revenue.
9) Using formulas developed in class/textbook, distinguish between implicit and explicit costs, accounting and economic profit, and between the short-run and the long-run in order to compute and graph the following: marginal product; average product, marginal cost, average fixed, average variable and average total cost.
10) Using models developed in class/textbook, compare and contrast pricing and output behavior of firms in perfect competition, monopoly, monopolistic competition and oligopoly, then evaluate

how and why government intervenes to change the structure and behavior of firms in monopolistic and imperfectly competitive markets.

11) Using basic economic input market models, compare and contrast how wages are set in the following markets: competitive labor market, monopoly labor market, monopsony and bilateral monopoly; differentiate between rent, interest and profits as incomes determined in markets.
12) Using opportunity cost data, explain comparative advantage and how it affects trade.
13) Using economic principles developed in class/textbook, explain how international trade transactions work and explain how and why nations restrict trade.

Method of Evaluation
Part 1 (Identical and Required):
Assessments for this course will include both formative and summative assignments that may include some or all of the following:

Exams and Quizzes containing one or more:

- Multiple Choice questions
- Short answers
- Problem Solving
- True/False
- Essays

Other Assessments:

- Problem sets
- Online or in-class discussions
- Presentations
- Group projects
- Experiments
- Current event analysis
- Term papers

Assessed written work may include any of the following (colleges are encouraged to work with local CSU and UC departments to determine writing requirements):

- Current event analysis
- Discussion boards
- Essay questions on exams
- Term papers

Methods of evaluation are at the discretion of local faculty.
Part 2 List Additional Methods of Evaluation (Optional):
A grading system will be established by the instructor and implemented uniformly. Grades will be based on demonstrated proficiency in subject matter determined by multiple measurements for evaluation, one of which must be essay exams, skills demonstration or, where appropriate, the symbol system.

1) Graphing exercises that measure students' ability to use the fundamental principles of economics to illustrate how the economy responds to changes in real world conditions. For example, students will use production possibilities curves to illustrate scarcity and opportunity cost; use in supply and demand curves to determine market prices; use cost and revenue curves to determine profit maximizing level of production and to compare and contrast the various market structures; or use input markets curves to illustrate how wages are determined in competitive, monopoly and monopsony labor markets.
2) Homework assignments using mathematical functions introduced in class to calculate various economic variables. For example, students will calculate price elasticity of demand to determine

whether demand is inelastic or elastic, or calculate total revenue and total cost to determine a firm's profit.

3) Objective and essay exams and quizzes that measure students' ability to apply economic principles discussed in class. For example, students will identify the consequences of scarcity, explain how changes in opportunity cost affect behavior, understand the interaction of supply and demand in a market, link total revenue to price elasticity of demand, distinguish between the four basic market structures, identify the reasons for government intervention in markets, or explain the basis for international trade.
4) Short papers that demonstrate students' ability to compare and contrast pricing and output behavior of firms in perfect competition, monopoly, monopolistic competition, and oligopoly. For example, students will use business magazines to research pricing and output decisions of major companies.

Special Materials Required of Student

None

Minimum Instructional Facilities

Standard classroom

Method of Instruction

1) Lecture and discussion
2) Preview of assignments, review of completed assignments
3) Problems for discussion and response
4) Internet research

Out-Of-Class Assignments

1) **Reading:** lecture/reading notes; course materials; textbook chapters; articles; multimedia content.
2) **Writing:** short papers that demonstrate students' ability to compare and contrast pricing and output behavior of firms in perfect competition, monopoly, monopolistic competition, and oligopoly, where students may use research from business magazines and other internet sources covering pricing and output decisions of major companies.
3) **Other:** homework assignments using mathematical functions introduced in class to calculate various economic variables, such as calculating price elasticity of demand to determine whether demand is inelastic or elastic and calculating total revenue and total cost to determine a firm's profit.

Texts and References

Part 1 (Identical and Required):

These are representative texts. Texts used by individual institutions and even individual sections will vary.

These are two-semester textbooks covering both Macroeconomics and Microeconomics. The one-semester edition covering only Microeconomics is acceptable as is any other equivalent textbook, including an OER textbook.

- Arnold, R., Arnold, D., & Arnold, D. (2023) Economics. Mason, OH: Cengage Learning.
- Colander, D. (2019) Economics. New York: McGraw-Hill Irwin.
- Coppock, L. & Mateer. (2023) Principles of Economics, Norton.
- The CORE Econ Team. The Economy 2.0, CORE Econ.
- Cowen, T., & Tabarrok, A. (2021) Modern Principles of Economics. New York: Worth.
- Frank, R. H., & Bernanke, B. S. (2024) Principles of Economics. New York: McGraw-Hill Irwin.
- Greenlaw, S., Shapiro, D., & MacDonald, D. Principles of Economics 3e. Houston, TX: OpenStax.
- Hubbard, R. G., & O'Brien, A. P. (2024) Economics. Boston: Pearson.
- Krugman, P. & Wells, R. (2024) Economics. New York: Worth.
- Mankiw, N. G. (2024) Principles of economics. Mason, OH: Cengage Learning.

- McConnell, C. R., Brue, S. L., & Flynn, S. M. Economics: Principles, problems and policies. New York: McGraw-Hill Irwin.
- Parkin, M., (2023) Economics, New York: Pearson
- Rittenberg, L., & Tregarthen, T. (2021) Principles of economics. Flat World Knowledge.
- Schneider, G., (2024) Microeconomic Principles and Problems: A Pluralist Introduction. New York: Routledge.
- Stevenson, B. & Wolfers, J. (2023) Principles of Economics, New York: Worth.
- Tucker, I. B. (2023) Economics for today. Mason, OH: Cengage Learning.

Part 2 List Sample Textbooks, Manuals, or Other Support Materials (optional):

1) Required (representative example): Mateer/Coppock, Principles of Microeconomics, 4th edition, W. W. Norton, 2023.
2) Supplemental: None

Student Learning Outcomes

Upon successful completion of this course, students will be able to:

1) Use the framework of supply, demand, consumers’ surplus, or producers’ surplus to show how changes in economic variables affect market outcomes.
2) Use marginal analysis to make resource allocation decisions from both consumers’ and producers’ perspectives.
3) Identify and explain the role of comparative advantage in facilitating economic transactions.
4) Compare different market settings (e.g. perfect competition and monopoly) on the basis of whether they reach productive and allocative efficiency.