

Course Outline
ECON 202
Introduction to Micro-Economic Principles
3 semester Hours

The Community College of Baltimore County

Description

Introduction to Micro-Economic Principles

Explores how businesses, households, and public agencies are led by market forces to use their resources efficiently for desired optimal outcomes.

Prerequisite: ECON 201 or consent of program coordinator.

Overall Course Objectives

Upon completion of this course the student will be able to:

1. Evaluate the fundamental economic problem of society in terms of scarcity, opportunity cost, and production possibilities. (I, V, IV; Cultural-Historical 1, 3; Behavioral 1,2, 3,4)
2. Estimate and interpret the impact of market and non-market forces on supply and demand. (I, II, III, V, VI; Behavioral 1, 2, 3)
3. Interpret quantitative data presented in graphs and tables. (I, III, IV; Behavioral Science 1, 2)
4. Use graphs to analyze relationships among economic variables. (I, III, IV; Behavioral Science 1, 2)
5. Analyze the logic of consumer choice in a world of scarce resources. (I, II, III, IV, V; Cultural-Historical 2,3; Behavioral Science 1, 2, 3, 4)
6. Estimate the responses of consumers and businesses to price changes and the effect of these changes on the firm's total revenue. (I, III, V, VI; Behavioral Science 1, 2)
7. Identify and evaluate different forms of business organization and their effectiveness in utilizing capital resources. (I, II, III, V; Cultural-Historical 1,3; Behavioral Science 2, 3)
8. Analyze the behaviors of firms under different market conditions. (I, III; Cultural-Historical 3; Behavioral Science 1, 2, 3)
9. Analyze the nature and function of factor markets and assess their impact upon racial and gender discrimination (II, III, IV, V, VI; Cultural-Historical 1, 2, 3; Behavioral Science 2, 3, 4)
10. Apply economic principles in the analysis of at least one contemporary microeconomic issue. (II, III, IV, V, VI; Cultural-Historical 3; Behavioral Science 1, 2, 3, 4)

11. Identify and describe significant historical developments that have shaped micro-economic behavior in the US. (I, II, III, V, VI; Cultural-Historical 1, 3; Behavioral Science 3, 4)
12. Assess the social consequences of the emergence of a global economy for micro-economic behavior in the US. (I, II, III, V, VI; Cultural-Historical 1, 3; Behavioral Science 3, 4)
13. Utilize on-line databases and Web-based learning materials. (I, II, IV, VI)

Major Topics

- A. Basic concepts and principles
- B. The Product Market
 1. Supply, demand, and market equilibrium
 - a. Theory of consumer choice: utility and demand
 - b. Elasticity
 2. Theory of the firm
 - a. Costs and revenue
 - b. Profit maximization
 - 1). Perfect competition
 - 2). Monopoly
 - 3). Oligopoly
 - 4). Monopolistic competition
 3. Efficiency and antitrust policy
- C. The Factor Market
 1. Determination of factor prices
 2. Distribution of income
- D. Market failures and the role of government
 1. Externalities
 2. Public Goods

Course Requirements (VII)

Evaluations of student progress will be evenly spaced over the course of a semester, culminating in at least four independent measures of student performance (not including attendance and class participation). Specific assignments and procedures for evaluating student performance will be determined by the individual faculty member, but will include the following:

1. At least two in-class tests or exams. (VII)
2. One or more writing assignments that total at least 1500 words. (II, III, VI, VII)
3. Required oral participation such as oral reports, recitation, discussion or individual tutoring of classmates.

At least 50 pages of collateral reading will be assigned to acquaint students with economic literature apart from the textbook. This requirement can be satisfied by readings associated with a research paper. (III, V, VI)

Instructors are required to give assignments that utilize modern information technologies in at least one of the following forms: on-line databases for research; e-mail and bulletin boards for collaborative learning; computer simulations of the macro-economy; Excel spreadsheets and graphing for problem solving; and Web-based materials and resources. (III, IV, VI)

Other Course Information

ECON 202 will satisfy the general education requirement of three credits in a behavioral science.

How ECON 202 supports the CCBC definition of General Education

This course is the second of the standard two-semester sequence in introductory economics. As such, it is transferable to any undergraduate curriculum. Economics 202 approaches the market economy as the environment in which consumers, workers, investors and other resource owners operate. It considers the economics of the family and, within it, the economic basis of gender roles as well as the differential formations associated with class, race, and ethnicity. It examines the behavior and performance of business firms in alternative market structures, ranging from idealized competition to monopoly. It also analyzes the economics of factor markets, including the particular issues of race and gender discrimination in the labor force. Additionally, it covers the areas of market failure which include environmental pollution, inequalities in income distribution, and issues of access to healthcare and education. In covering this subject matter, the student will gain an understanding of the historic evolution and current problems of the US economy cast in the context of the changing conditions of international competition, including the challenges emanating from the rapidly changing regions of Europe and East Asia.

This class reinforces preparation for college-level mathematics and will introduce the student to the use of quantitative information and its analysis through algebra and graphs. In addition, this particular class places emphasis on the development of *critical reading and writing skills*. Oral participation is also required. In the context of *LearningFirst*, this course therefore serves to enable the student to validate the concepts and techniques s/he is expected to have learned in classes that meet the prerequisites to this course.

These skills are applied to a body of knowledge that is both profound and practical. Economics is a science that explores the self-interest dimension of human behavior in a world where limited resources must be allocated among competing uses. As a normative science, it offers rational principles for enhancing the material well being of society, which, ironically, transcends self-interest. In addition, Economics 202 provides a rigorous framework for understanding the process of decision making under constraints, as these occur at all levels of human existence--from the individual and the family unit to the business firm and the public sector to the nation and the global economy. Basic knowledge of microeconomics is important for success in the world of business and the professions and indispensable for executive leadership. It is essential for anyone who wants to participate in the formulation of effective solutions to economic and social problems.