

EASTERN ARIZONA COLLEGE

Principles of Microeconomics

Course Design
2018-2019

Course Information

Division Business
Course Number BUA 223 (SUN# ECN 2202)
Title Principles of Microeconomics
Credits 3
Developed by Dana Barnett
Lecture/Lab Ratio 3 Lecture/0 Lab

Transfer Status

ASU	NAU	UA
ECN 212, Social-Behavioral Sciences (SB)	ECO 284; Social and Political Worlds (SPW)	ECON 201A; Tier 2 Indv & Societies (IND2)

Activity Course No
CIP Code 52.0200
Assessment Mode Pre/Post Test (50 Questions/100 Points)
Semester Taught Fall and Spring
GE Category Social Sciences
Separate Lab No
Awareness Course No
Intensive Writing Course No
Diversity and Inclusion Course Yes

Prerequisites

ENG 091 with a grade of "C" or higher or reading placement test score as established by District policy

Educational Value

Provides a basic understanding of economic principles which is necessary in order to participate as a citizen, consume, and active voter within a democratic, free-market system. Meets Diversity and Inclusion (DI) requirement.

Description

Study of forces affecting individual productive units including analysis of price determinants through supply and demand, cost and equilibrium of firms under perfect and imperfect competition, distribution of income, and selected current problems. Concurrent enrollment in BUA 221 not recommended.

Supplies

Calculator

Competencies and Performance Standards

1. Explain the basic economizing problem of scarce resources and unlimited wants.

Learning objectives

What you will learn as you master the competency:

- a. Identify the four resource categories.
- b. Create a production possibilities table.
- c. Create a production possibilities curve.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to list the four categories of resources and payments
- o learner is able to create a production possibilities curve from a production possibilities table
- o learner is able to explain the connection between scarce resources, opportunity cost, and the production possibilities model

2. Construct the basic supply and demand curves in a purely competitive market model.

Learning objectives

What you will learn as you master the competency:

- a. Graph a demand curve in a purely competitive market model.
- b. Graph a supply curve in a purely competitive market model.
- c. Graph a supply and demand together and determine equilibrium price and quantity in a purely competitive market model.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to graph demand curves in a purely competitive market model
- o learner is able to graph supply curves in a purely competitive market model
- o learner is able to graph supply and demand together and determine equilibrium price and quantity in a purely competitive market model

3. Explain the interaction of the public and private sectors within a mixed economy.

Learning objectives

What you will learn as you master the competency:

- a. Describe the breakdown of households as income receivers and spenders.
- b. Describe the breakdown of the business population.
- c. Describe the “isms”: capitalism, fascism, communism, and socialism.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to describe the breakdown of households as income receivers and spenders
- o learner is able to describe the breakdown of the business population
- o learner is able to describe the “isms”: capitalism, fascism, communism, and socialism

4. Interpret elasticity of supply and demand after calculating each.

Learning objectives

What you will learn as you master the competency:

- a. Calculate the elasticity of demand coefficient from a given set of data.
- b. Apply the total revenue test for a given set of data.
- c. Calculate the elasticity of supply coefficient from a given set of data.
- d. List the major determinants of elasticity of supply and demand.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to calculate the elasticity of demand coefficient from a given set of data
- o learner is able to apply the total revenue test for a given set of data
- o learner is able to calculate the elasticity of supply coefficient from a given set of data
- o learner is able to list the major determinants of supply and demand

5. Explain consumer utility maximization.

Learning objectives

What you will learn as you master the competency:

- a. Explain the law of diminishing marginal utility.
- b. Explain the utility-maximizing rule.

- c. Figure out the combination of products purchased with a given income from a given set of data.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to explain the law of diminishing marginal utility
- o learner is able to explain the utility-maximizing rule
- o learner is able to figure out the combination of products purchased with a given income from a given set of data

6. Analyze the short-run costs of production after calculating each.

Learning objectives

What you will learn as you master the competency:

- a. Explain the law of diminishing returns.
- b. Calculate total cost, average fixed cost, average variable cost, and average total cost.
- c. Calculate marginal cost.
- d. Explain the relationships among the cost curves.
- e. Explain economies and diseconomies of scale.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to explain the law of diminishing returns
- o learner is able to calculate total cost, average fixed cost, average variable cost, and average total cost
- o learner is able to calculate marginal cost
- o learner is able to explain the relationships among the cost curves
- o learner is able to explain what is meant by economies and diseconomies of scale

7. Figure out short-run profit or loss in a purely competitive market.

Learning objectives

What you will learn as you master the competency:

- a. Explain why a purely competitive market has a perfectly elastic demand curve.
- b. Figure out where the shut-down point will be for a given set of purely competitive data.
- c. Figure out where the loss-minimization point will be for a given set of purely competitive

- data.
- d. Figure out where the normal-profit point will be for a given set of purely competitive data.
 - e. Figure out where the profit-maximization point will be for a given set of purely competitive data.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to explain why a purely competitive market has a perfectly elastic demand curve
- o learner is able to figure out where the shut-down point will be for a given set of purely competitive data
- o learner is able to figure out where the loss-minimization point will be for a given set of purely competitive data
- o learner is able to figure out where the normal-profit point will be for a given set of purely competitive data
- o learner is able to figure out where the profit-maximization point will be for a given set of purely competitive data

8. Figure out short-run profit or loss in a monopolistic market.

Learning objectives

What you will learn as you master the competency:

- a. Figure out the profit-maximizing (loss-minimizing) output and price level for a given set of short-run monopolistic cost data.
- b. Explain the results of a regulated monopoly.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to figure out the profit-maximizing (loss-minimizing) output and price level for a given set of short-run monopolistic cost data
- o learner is able to explain the results of a regulated monopoly

9. Figure out short-run profit or loss in a monopolistically competitive market.

Learning objectives

What you will learn as you master the competency:

- a. Figure out the profit-maximizing (loss-minimizing) output and price level for a given set of short-run monopolistically competitive data.

- b. Explain the results of monopolistically competitive markets in the long run.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to figure out the profit-maximizing (loss-minimizing) output and price level for a given set of short-run monopolistically competitive data
- o learner is able to explain the results of monopolistically competitive markets in the long run

10. Figure out short-run profit or loss in an oligopolistic market.

Learning objectives

What you will learn as you master the competency:

- a. Explain the operation of cartels.
- b. Explain the difference between open and covert collusion.
- c. Explain price leadership.
- d. Explain the kinked-demand oligopoly market.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to explain the operation of cartels
- o learner is able to explain the difference between open and covert collusion
- o learner is able to explain price leadership
- o learner is able to explain the kinked-demand oligopoly model

11. Figure out the least-cost and profit maximizing combination of using more than one resource.

Learning objectives

What you will learn as you master the competency:

- a. Figure out marginal revenue product for each resource from a given set of data.
- b. Figure out marginal resource cost from a given set of data.
- c. Apply the $MRP=MRC$ rule for a given set of data.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook

- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to figure out marginal revenue product for each resource from a given set of data
- o learner is able to figure out marginal resource cost from a given set of data
- o learner is able to apply the $MRP=MRC$ rule for a given set of data

12. Analyze labor markets and wage rates among various ethnic, cultural, and gender groups.

Learning objectives

What you will learn as you master the competency:

- a. Distinguish among the various groups constituting the supply of labor.
- b. Discuss factors influencing the demand for labor among different ethnic and gender groups.
- c. Explain the effects of employment discrimination on wages among different ethnic and gender groups.
- d. Discuss the education gap between the rich and the poor.
- e. Compare wages rates among US citizens with wage rates of other countries.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to distinguish among the various groups constituting the supply of labor
- o learner is able to discuss factors influencing the demand for labor among different ethnic and gender groups
- o learner is able to explain the effects of employment discrimination on wages among different ethnic and gender groups
- o learner is able to discuss the education gap between the rich and the poor
- o learner is able to compare wages rates among US citizens with wage rates of other countries

13. Discuss and compare the effects of income distribution and poverty among different ethnic, cultural, and gender groups within the US and other countries.

Learning objectives

What you will learn as you master the competency:

- a. Measure the inequality of income distribution among different ethnic, culture and gender groups.
- b. Distinguish between the distribution of income and the distribution of wealth among different ethnic, cultural, and gender groups and how it has changed over the last 200 years.

- c. Define and discuss poverty in the United States and other countries.
- d. Name and discuss the groups of people who are poor.
- e. List the main government transfer programs to help the poor.
- f. Explain the main cause of poverty among the various cultural, ethnic and gender groups.

Performance Standards

Competence will be demonstrated:

- o on homework with the use of the textbook
- o on quizzes
- o on discussion forums
- o on Pre Post Test

Criteria-Performance will be satisfactory when:

- o learner is able to measure the inequality of income distribution among different ethnic, culture and gender groups
- o learner is able to distinguish between the distribution of income and the distribution of wealth among different ethnic, cultural and gender groups and how it has changed over the last 200 years
- o learner is able to define and discuss poverty in the United States and other countries
- o learner is able to name and discuss the groups of people who are poor
- o learner is able to list the main government transfer programs to help the poor
- o learner is able to explain the main cause of poverty among the various cultural, ethnic, and gender groups

Types of Instruction

Classroom Presentation

Videos

Newspaper/Magazine Articles

Internet

Grading Information

Grading Rationale

Tests 35%

Homework 50%

Final (Post-test) 15%

Grading Scale

- A 90-100%
- B 80-89%
- C 70-79%
- D 60-69%
- F Below 60%