

ECON 1B: PRINCIPLES OF MICROECONOMICS

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Summer 2023
Units:	5
Hours:	5 lecture per week (60 total per quarter)
Prerequisite:	Elementary Algebra or equivalent.
Advisory:	Demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 & ESLL 249; Intermediate Algebra or equivalent.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Area IV: Social & Behavioral Sciences
Transferable:	CSU/UC
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

Student Learning Outcomes

- Employ the supply and demand model to predict market responses to shocks.
- Illustrate and explain unintended consequences resulting from government interference in well-functioning markets.
- Analyze different market structures from both a short-run and long-run perspective.
- Effectively employ marginal cost-benefit analysis to arrive at an efficient outcome.

Description

Micro analysis of economic life. Allocation of resources. Consumer behavior. Pricing and output decisions. Distribution of wealth and income. Nature and characteristics of business enterprises. International trade. Comparative economic systems. ECON 1A and 1B may be taken in either order.

Course Objectives

The student will be able to:

- Understand and apply basic economic concepts of scarcity, opportunity cost, and self-interested behavior
- Analyze the interrelationship of economics with other social sciences
- Demonstrate an understanding of market forces and equilibrium
- Calculate and interpret elasticity
- Analyze firm behavior, including costs and profit maximization, in different market structures
- Understand market failures and potential mitigation policies

- Recognize and apply the importance of cultural sensitivity in economics

Course Content

- Fundamental economic concepts
 - Definition of economics
 - Economic resources defined
 - Opportunity cost
 - Marginal analysis
 - Production possibilities curves
 - Command vs. market economies
- Supply and demand model
 - Law of demand
 - Law of supply
 - A change in supply (demand) vs. a change in quantity supplied (demanded)
 - Equilibrium
 - Price ceilings
 - Price floors
- Elasticities
- Consumer theory
- Production and cost analysis
 - Fixed vs. variable costs
 - The production function
 - ATC, AVC, MC
 - Economic vs. accounting profit
 - Economies of scale: LRATC
- Perfect competition
 - Profit maximization
 - Shutdown point
 - Long-run equilibrium: market entry and exit
- Monopoly
 - Profit maximization
 - Barriers to entry
 - Welfare loss of monopoly
 - Price discrimination
- Monopolistic competition
 - Profit maximization
 - Short-run vs. long-run equilibrium
 - Non-price competition
- Oligopoly
 - Interdependent decision-making
 - Cartels
 - Strategic pricing
 - Game theory
- Antitrust policy and regulation
 - History of U.S. antitrust laws
 - Herfindahl index
- Market failures
 - Externalities
 - Public goods
 - Imperfect information

Lab Content

Not applicable.

Special Facilities and/or Equipment

When taught as an online distance learning section, students and faculty need internet and regular email access.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

Midterm examinations
Final examination
Written assignments
Presentations

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

Lecture
Discussion
Cooperative learning exercises
Computer assignments

Representative Text(s) and Other Materials

Colander, David. [Microeconomics](#). 2020.

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

- a. Weekly reading assignments from text and outside sources ranging from 30-100+ pages per week
- b. One or more writing assignments that pertain to primary course themes and concepts

Discipline(s)

Economics