ECON 1B: PRINCIPLES OF MICROECONOMICS

Foothill College Course Outline of Record

<table>
<thead>
<tr>
<th>Heading</th>
<th>Value</th>
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<tbody>
<tr>
<td>Effective Term:</td>
<td>Summer 2023</td>
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<tr>
<td>Units:</td>
<td>5</td>
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<tr>
<td>Hours:</td>
<td>5 lecture per week (60 total per quarter)</td>
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<tr>
<td>Prerequisite:</td>
<td>Elementary Algebra or equivalent.</td>
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<td>Advisory:</td>
<td>Demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 &amp; ESLL 249; Intermediate Algebra or equivalent.</td>
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| 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


Course Objectives

The student will be able to:

a. Understand and apply basic economic concepts of scarcity, opportunity cost, and self-interested behavior
b. Analyze the interrelationship of economics with other social sciences
c. Demonstrate an understanding of market forces and equilibrium
d. Calculate and interpret elasticity
e. Analyze firm behavior, including costs and profit maximization, in different market structures
f. Understand market failures and potential mitigation policies
g. Recognize and apply the importance of cultural sensitivity in economics

Course Content

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

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