

Las Positas College  
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**Course Outline for ECON 1**  
**PRINCIPLES OF MICROECONOMICS**  
**Effective: Fall 2010**

**I. CATALOG DESCRIPTION:**

ECON 1 — PRINCIPLES OF MICROECONOMICS — 3.00 units

Economic analysis of market systems, price theory, including supply and demand analysis, marginal utility, elasticity, cost and revenue concepts, perfect and imperfect competition, international trade theory, pricing of the factors of production, poverty and income inequalities. Strongly recommended: Eligibility for English 1A. Prerequisite: Mathematics 55 or Mathematics 55B or Mathematics 55Y (completed with a grade of "C" or higher) or an appropriate skill level demonstrated through the mathematics assessment process. 3 hours lecture.

3.00 Units Lecture

**Prerequisite**

MATH 55 - Intermediate Algebra for STEM  
or

MATH 55B - Intermediate Algebra for STEM B  
or

MATH 55Y - Intermediate Algebra

ENG 100B - Reading, Reasoning, and Writing II  
or

ENG 104 - Integrated Reading and Writing II

**Grading Methods:**

Letter or P/NP

**Discipline:**

	<b>MIN</b>
<b>Lecture Hours:</b>	54.00
<b>Total Hours:</b>	54.00

**II. NUMBER OF TIMES COURSE MAY BE TAKEN FOR CREDIT: 1**

**III. PREREQUISITE AND/OR ADVISORY SKILLS:**

**Before entering the course a student should be able to:**

- A. MATH55
- B. MATH55B
- C. MATH55Y
- D. ENG100B
- E. ENG104

**IV. MEASURABLE OBJECTIVES:**

**Upon completion of this course, the student should be able to:**

- A. define scarcity and explain how it relates to choices of individuals in the economy
- B. define comparative advantage and show how it facilitates gains from trade
- C. define market and explain how market forces of supply and demand lead to efficient allocation of goods, services, and factors of production
- D. define elasticity and apply it in market analysis
- E. define market failure and evaluate alternative policy solutions
- F. explain the theory of the firm's behavior
- G. use microeconomic models to show how prices and output are determined in various market structures
- H. demonstrate an ability to apply basic microeconomic concepts to business, social and personal issues

**V. CONTENT:**

(Representing at least 80% of course coverage)

- A. Principles of Economics
  - 1. How people make decisions
  - 2. How people interact
  - 3. How the Economy as a whole works
- B. Thinking like an Economist
  - 1. The Economist as scientist
  - 2. The Economist as policy advisor
  - 3. The Economist as scientist
- C. Interdependence and the Gains from Trade
  - 1. Comparative advantage: the driving force of specialization
  - 2. Applications of comparative advantage
- D. The Market Forces of Supply and Demand
  - 1. Markets and competition
  - 2. Demand
  - 3. Supply
  - 4. Supply and demand together
  - 5. How prices allocate resources
- E. Elasticity and its Application
  - 1. The elasticity of demand
  - 2. The elasticity of supply
  - 3. Applications of supply, demand and elasticity
- F. Supply, Demand and Government Policies
  - 1. Controls on prices
  - 2. Taxes
- G. Externalities
  - 1. Externalities and market inefficiency
  - 2. Public policies towards externalities
- H. The Costs of Production
  - 1. Production and costs
  - 2. The various measures of costs
- I. Firms in Competitive Markets
  - 1. Competitive market
  - 2. Profit maximization
  - 3. Supply curve in a competitive market
- J. Monopoly
  - 1. Causes of monopolies
  - 2. Monopoly productions and pricing decisions
  - 3. Price discrimination
- K. Monopolistic Competition
  - 1. Competition with differentiated products
  - 2. Advertising
- L. Oligopoly
  - 1. Markets with only few sellers
  - 2. The Economics of cooperation

#### VI. METHODS OF INSTRUCTION:

- A. **Discussion** -
- B. Student participation
- C. **Lecture** -
- D. **Lecture** -
- E. **Audio-visual Activity** - News videos and other audio-visual aids

#### VII. TYPICAL ASSIGNMENTS:

- A. Students are expected to read assigned sections of the textbook before each class.
  - 1. Answer questions regarding each week's reading material(s)
  - 2. Ask questions that clear up any gaps in the student's understanding of the assigned reading material(s)
  - 3. Participate intelligently in answering other student's and the instructor's in-class questions
- B. Students are to complete a research project on a microeconomic topic chosen from an extensive list provided by an instructor
  - 1. Using print and online resources effectively, conduct a search by subject for relevant articles
  - 2. Note relevant information from acquired materials, analyze the information using basic microeconomic concepts, and organize it in a logical order
  - 3. Present the information in form of a 15-18 slide long Power Point presentation

#### VIII. EVALUATION:

- A. **Methods**
  - 1. Exams/Tests
  - 2. Group Projects
  - 3. Class Participation
- B. **Frequency**
  - 1. Two tests spaced evenly through the term
  - 2. Group project delivered in class at the end of the term
  - 3. Final examination at the end of the term

#### IX. TYPICAL TEXTS:

- 1. Mankiw N. Gregory *Principles of Microeconomics*. 5th ed., Thomson South-Western, 2009.
- 2. Hall E. Robert, Lieberman Marc *Microeconomics: Principles and Applications*. 5th ed., Thomson South-Western, 2010.
- 3. Krugman Paul, Wells Robin *Microeconomics*. 2nd ed., Worth Publishers, 2008.

#### X. OTHER MATERIALS REQUIRED OF STUDENTS:

- A. #2 pencil for tests
- B. Scantron forms for tests