



MERCER
COUNTY COMMUNITY COLLEGE

COURSE OUTLINE

Course Number ECO 112	Course Title Microeconomics	Credits 3
Hours: Lecture 3/3 Lab/Other 3/0	Co- or Pre-requisite ENG 101 and MAT-038 or MAT-044 with grade C or higher.	Implementation Semester & Year Spring 2022

Catalog description

Introduction to economic principles and their application to major issues of public policy: concepts of supply and demand, nature and operation of market structures, analysis of costs and revenues, theory of production, selected problems of public policy in relation to agriculture, antitrust policy, labor relations and microeconomic aspects of world trade.

General Education Category: Goal 5: Social Science

Course coordinator:

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Required texts & other materials:

Economics

Author: McConnell and Brue
Publisher: McGraw-Hill
Latest edition 22nd

ISBN Rental-9781260226775; loose-leaf is 9781264112272

Course Student Learning Outcomes (SLO):

The aim is for students to know how individuals, consumers and firms make decisions and how they interact in markets. The course is designed to develop analytical capabilities of students so they can think analytically about the economic forces at work. Upon completion of the course, the student will be able to:

1. Apply supply and demand analysis to a variety of topics in a market economy (Support ILG 1,2,5,8,11; PLO 1,2,3,4,5)

2. Explain the relationship between cost and production in short run and long-run (supports ILG 1,2,5,11; PLO 1,2,3,4,5)
3. Determine the structure of different markets such as Perfect competition, monopoly, monopolistic competition, and oligopoly (Supports ILG 1,2,5,11; PLO 1,2,3,4,5)
4. Explain the economic efficiency and technological efficiency (Supports ILG 1,2,5,8,11; PLO 1,2,3,4,5)
5. Examine how markets allocate resources efficiently (Supports ILG 1,2,5,8,11; PLO 1,2,3,4,5)

Course-specific Institutional Learning Goals (ILG):

- **Institutional Learning Goal 1. Written and Oral Communication in English.** Students will communicate effectively in both speech and writing.
- **Institutional Learning Goal 2. Mathematics.** Students will use appropriate mathematical and statistical concepts and operations to interpret data and to solve problems.
- **Institutional Learning Goal 5. Social Science.** Students will use social science theories and concepts to analyze human behavior and social and political institutions and to act as responsible citizens.
- **Institutional Learning Goal 8. Diversity and Global Perspective:** Students will understand the importance of a global perspective and culturally diverse peoples
- **Institutional Learning Goal 11. Critical Thinking:** Students will use critical thinking skills to understand, analyze, or apply information or solve problems.

Program Learning Outcomes for

Business Administration AS degree, Global Business concentration, and Sport Management concentration

1. Formulate an analytical and quantitative approach to problem solving;
2. Demonstrate an understanding of the role of U.S. business in a globalized society;
3. Acquire effective business communication skills, including computer literacy;
4. Develop the foundation necessary to continue studies in fields such as economics, finance, accounting, management, marketing, and human resources;
5. Use the economic way of thinking in everyday life.

Unit 1: Supply, Demand, and Prices

- I. The Law of Demand and Supply
- II. Equilibrium Price and quantity
- III. Elasticity of Supply and demand
- IV. Consumer behavior and utility

Learning Objectives (Supports SLO 1)

The student will be able to:

- Solve the equilibrium price and quantity given the market demand and supply schedule.
- Explain the concept of elasticity and its impact on total revenue
- Distinguished the difference between demand that is elastic and demand that is inelastic

- Explain the Theory of Consumer Behaviors, focusing on consumer choice and budget restaurant and utility maximizing rule.
- Explain the Law of Diminishing Utility

Unit 2: Production Costs, and Pure Competition

- I. Short-run Production Costs
- II. Long-run Production Costs
- III. Characteristics of Perfect Competition
- IV. Profit Maximization Under Perfect Competition (short-run)
- V. Pure Competition and Efficiency

Learning Objectives (Supports SLO 2,3,4,5)

The student will be able to:

- Explain Total cost (TC); Total fixed cost (TFC); Total variable cost (TVC) ; Long-run average cost
- Discuss profit maximization within the content of profit, loss and shut down.
- Distinguish between economic and diseconomic scale.
- Analyze the principles of diminishing returns.
- Explain the concept of constant cost industry and increasing cost industries.
- Interpret graphs for purely competitor firm with respect to:

a normal profit is earned.

a situation in which other than normal profit is earned.

Unit 3: Imperfect Competition

- I. Monopoly
- II. Monopolistic competition
- III. Oligopoly

Learning Objectives (supports SLO 2,3,4,5)

The student will be able to:

- Explain the characteristics of monopoly.
- Describe the concept of naturally monopoly.
- Explain the characteristics of monopolistic competition.
- Provide a graphically illustration of excess capacity.
- Explain the characteristics of oligopoly and collusion.

- Explain the role of non-price competition show that imperfect competition is not an efficient method of resource allocation.

Unit 4: Resource Markets

- I. Market Demand for Labor
- II. The Market Supply of Labor
- III. Equilibrium of Wage
- IV. Monophony
- V. Bilateral Monopoly

Learning Objectives (Supports SLO 2,3,4,5)

The student will be able to:

- Discuss the basic concepts with respect to the hiring or use of resources such as:
 - a. The $MRR=MRC$ rule by which a firm will determine how much of resource a firm will hire
 - b. A firm will hire a resource up to the point at which it maximizes profit
 - c. The competitor firm's demand curve for a resource is its marginal revenue-product curve
 - d. The elasticity of demand for labor
- Explain the determination of wages in the following type markets:
 - a. Competitive market
 - b. Exclusive model
 - c. Inclusive mode Bilateral monopoly
- Discuss the problem of wage differential focusing on non-competing groups, equalizing differences and market imperfection
- Explain the concept and impact of investment in human capital
- Discuss the concepts of economic rent, why land rent is considered a surplus and tab plans relative to land rent.

Unit 5: International Economics and the World Economy

- I. International Trade: Comparative and Absolute Advantage
- II. International Monetary Exchange
- III. Exchange Rate
- IV. Balance of Payment

Learning Objectives (supports SLO 2,3,4,5)

The student will be able to:

- Demonstrate the understanding of free trade economy in other words, the concepts of comparative advantage by which to determine the possible gain from trade.
- Explain impact of tariffs and non-tariff barriers, such as quota and subsidy.
- Distinguish between truth and fallacies contained in the arguments for protection.
- Explain the fluctuation of exchange rate in the world economy and examine its determinants.

Evaluation of student learning:

Test No.1	Unit 1	25%
Test No. 2	Unit 1&2	25%
Test No. 3	Unit 2&3	25%
Test No. 4	Unit 4&5	25%