
**MICROECONOMICS
ECON 2020**

Class Hours: 3
Laboratory Hours: 0
Credit Hours: 3
Revised: July 2011

Instructor:
Office:
Phone:
Email:

Note: This class is designed for transfer credit to selected institutions.

Catalog Course Description: A study of consumer behavior, the product and resource markets, and the role of government in business. Also includes an examination of market structure, resource economics, wage determination and distribution, and international trade.

Entry Level Standards: Students must be able to read and write at the college level.

Pre-requisite: ECON 2010, Macroeconomics

Textbook and Other Supplies:

Required Textbook: *Economics: Principles, Problems, and Policies*, (19th edition), McConnell, Campbell R. and Stanley L. Brue, McGraw-Hill Irwin, 2011. **ISBN:** 0077536916 (**NOTE:** This ISBN is for selected material. This is a custom version of the textbook for sale at Pellissippi State campus bookstores ONLY. The ISBN for the full version of the textbook is: **ISBN:** 13: 978-0-07-351144-3)

I. Week/Unit/Topic Basis:

1. Chapter 3 Demand, Supply and Market Equilibrium
2. Chapter 4 Elasticity
3. Chapter 6 Consumer Behavior
4. Chapter 7 Business and the Costs of Production
5. Chapter 8 Pure Competition in the Short Run
6. Chapter 9 Pure Competition in the Long Run
7. Chapter 10 Pure Monopoly
8. Chapter 11 Monopolistic Competition and Oligopoly
9. Chapter 12 The Demand for Resources
or Chapter 19 Agriculture: Economics and Policy
10. Chapter 13 Wage Determination
or Chapter 15 Natural Resource and Energy Economics
11. Chapter 18 Antitrust Policy and Regulation
or Chapter 20 Income Inequality, Poverty and Discrimination
12. Chapter 37 International Trade
13. Chapter 38 The Balance of Payments, Exchange Rates and Trade Deficits
14. Chapter 22 Immigration
15. Final Exam

II. COURSE GOALS:

The course will:

- A. Guide students to understand and utilize the basic principles of economics in a microeconomic context. I, II, III, IV, VI
- B. Expand student understanding of the market system through a complete presentation of supply and demand and the four basic market models. I, II, III, IV, VI
- C. Enhance student understanding of the U.S. economy in a global context. I, II, III, IV, VII
- D. Expand student understanding of the economic consequences of international trade and barriers to trade. I, II, III, IV, VII
- E. Foster the ability to critically analyze economic policies from opposing theoretical perspectives. I, II, III, IV, VII
- F. Help the student to critique alternative explanations or solutions for contemporary social issues. I, II, III, IV, VII

III. Expected Student Learning Outcomes:

The student will:

1. Define and graph demand and supply; state the laws of demand and supply. A,B
2. Identify and list the factors that shift demand and supply; determine equilibrium price and quantity. A,B
3. Identify the income and substitution effects resulting from a change in a product's price. A, B
4. Define and calculate the price elasticity of demand; explain the determinants of demand elasticity. A,B
5. Define and calculate marginal utility. A, B
6. Derive the demand curve using the utility-maximizing rule. A, B
7. Define economic profit, accounting profit, fixed costs and variable costs. A,B
8. Explain the law of diminishing returns. A,B
9. Compute and graph AFC, AVC, ATC and MC when given total cost data. A,B
10. List the causes of economies of scale and diseconomies of scale. A,B
11. List the characteristics of pure competition. A,B
12. Use the MR/MC approach to determine the profit maximizing output of a purely competitive firm in the short run. A,B
13. Define monopoly and explain the conditions under which it arises. A,B
14. Describe price discrimination and its necessary conditions. A,B
15. Define monopolistic competition and explain how firms in this industry differentiate their products. A,B
16. Define oligopoly and explain what sets it apart from the other three market models. A,B

SOCIAL ISSUES: The Demand for Resources or Agriculture Economics

17. Describe the determinants of resource demand. A,B,
18. Explain the "least-cost rule" of production. A,B,
OR
17. Trace the evolution of agricultural policies in the U.S. A, B, E, F
18. Graphically determine the economic impact of agricultural price supports. A, B, E, F
19. Describe the world trade considerations of U.S. agricultural trade policies. A,B,C,D,E,F

SOCIAL ISSUES: Wage Determination or Natural Resource and Energy

20. Determine the equilibrium in the purely competitive labor market and the monopsony model. A,B,E,F
 21. Describe the three union models, demand-enhancement, exclusive or craft, and inclusive or industrial union. A,B,E,F
 22. Explain the reasoning for and against a minimum wage. A,B,E, F
- OR**
20. Describe the factors determining the supply and demand for energy resources. A,B,E,F
 21. Discuss the economic impact of conservation on the supplies of both renewable and nonrenewable resources. A,B,E,F

SOCIAL ISSUES: Antitrust or Income Inequality, Poverty, Discrimination

22. Describe the main characteristics of the four Federal Acts that defines monopoly structure and conduct. A,B,E,F
 23. Differentiate the structuralists and behavioralists interpretations of anti-trust laws. A,B,E,F
 24. Differentiate the active antitrust and laissez-faire perspectives of anti-trust law enforcement. A,B,E,F
- OR**
22. Define the types of labor discrimination and their economic cost to society. A,B,E,F
 23. Describe the argument for income equality and for income efficiency. A,B,E,F

INTERNATIONAL ECONOMICS

25. Explain the importance of international trade for the U.S. economy. A,B,C,D
26. Determine comparative advantage and the gains from trade in a 2-country, 2-good trade model. A,B,C,D
27. Describe the international institutions affecting multilateral trade. A,B,C,D
28. Graphically determine the economic impact of tariffs and quotas. A,B,C,D,E,F
29. Critically evaluate the case for trade protection. A,B,C,D,E,F
30. Define and describe the components of the Balance of Payments. A,B,C
31. Trace the evolution of currency exchange rate systems. A,B,C
32. Describe the causes of U.S. trade deficits. A,B,C
33. Describe the economic effects of immigration. A,B,C,D,E,F

IV. EVALUATION:

A. Testing Procedures: 60% - 70% of total grade

A minimum of three major tests is recommended. Exams will consist of multiple-choice, true-false and/or short-answer questions.

B. Laboratory Expectations: N/A

C. Field Work: N/A

Other Evaluation Methods: 20% - 30% of total grade

In-class work, homework, quizzes, and other assignments will also comprise the final grade for the course. Each instructor will provide full details during the first week of class via a syllabus supplement.

D. Grading Scale:

92 - 100	A
89 - 91	B+
82 - 88	B
79 - 81	C+
72 - 78	C
65 - 71	D
Below 65	F

V. POLICIES:**A. Attendance Policy:**

Pellissippi State Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. (*Pellissippi State Online Catalog*)

B. Academic Dishonesty:

Plagiarism, cheating and other forms of academic dishonesty are prohibited. A student guilty of academic misconduct, either directly or indirectly through participation or assistance, is immediately responsible to the instructor of the class. In addition to other possible disciplinary sanctions that may be imposed through the regular Pellissippi State procedures as a result of academic misconduct, the instructor has the authority to assign an F or a zero for the exercise or examination or to assign an F in the course. (*Pellissippi State Online Catalog*)

C. Accommodation for Disabilities:

Students who need accommodations because of a disability, have emergency medical information to share, or need special arrangements in case the building must be evacuated should inform the instructor immediately, privately after class or in her or his office. Students must present a current accommodation plan from a staff member in Services for Students with Disabilities (SSWD) in order to receive accommodations in this course. Services for Students with Disabilities may be contacted by going to Goins 127, 132, 134, 135, 131 or by phone: 539-7153 or TTY 694-6429. More information is available at www.pstcc.edu/departments/swd/