

COURSE OUTLINE

Course Number and Title: Econ100, Microeconomics

Prerequisites: None

Credits: 3 Hours

1. Course Description: The overall purpose of this course is to introduce the student to the concept of a market economy and to investigate how scarce resources are allocated under a price mechanism. Models of supply, demand, and market structure are employed to show how the interaction of consumers and producers results in the variety of goods abundantly available in a free enterprise economy. Within this general objective, there is room to examine how interferences with the price system, by public or private actors, diminish the ability of the price system to lead to maximum human wellbeing. In addition, the course addresses the role of marketplace incentives in furthering and directing economic growth.

2. Course Goals: Because it is highly efficient in allocating scarce resources, the free market system is often taken for granted by those who participate in it. The primary aim of this course is to reveal the dynamics of human behavior, which underlie the workings of the price mechanism. As such, it will allow those in policymaking positions to anticipate the effects of programs and legislation attempting to modify market outcomes.

3. Course Learning Outcomes: Beginning with the framework of a supply and demand model, the course proceeds to address the concepts of equilibrium pricing, and shifts in supply and demand. The technique of marginal analysis is also applied to labor and capital markets. Upon completion of the course, the student will be able to:

1. Express what economists mean by the concepts of scarcity and exchange
2. Predict a change in market outcomes given a change in supply or demand
3. Explain the concept of market equilibrium
4. Identify the determinants of consumer demand
5. Describe how the pursuit of profit leads to efficient outcomes
6. Understand why restricted competition among producers leads to inefficient outcomes
7. Use marginal productivity theory to explain the distribution of income
8. Recognize the ways in which the capital market influences growth and prosperity.

4. Course Concepts:

1. Market Equilibrium
2. Elasticity
3. Indifference Curves
4. Competition
5. Income Distribution
6. Entrepreneurship

5. Required Text:

Gwartney, James D., Stroup, Richard, Sobel, Russell S. and Macpherson, David, *Microeconomics: Private and Public Choice*, 13th ed., (South-Western Publishing Co. 2011). ISBN: 13: 978-0-538-75433-0.