Miami Dade College

ECO 2023 Principal of Microeconomics

Course Description: Theory of markets, price mechanism, production, distribution and resource allocation; application of marginal analysis and equilibrium theory to the price and output decisions of the individual firm in pure competition, monopolistic competition, oligopoly and monopoly; agriculture; labor, rent interest and profits theory . (3-hour lecture)

Course Competency	Learning Outcomes
Competency 1: The student will demonstrate knowledge of supply and demand by:	• Numbers / Data • Critical thinking
1. Distinguishing between markets, firms and industries. 2. Explaining the difference between a change in demand and a change in quantity demanded, a change in supply and change in quantity supplied. 3. Identifying the determinants of supply and demand. 4. Explaining how prices & quantities bought and sold are determined by demand & supply. 5. Identifying and deriving the supply and demand curve for the resource market.	
Competency 2: The student will demonstrate knowledge of economic efficiency, government price setting, and taxes by:	• Numbers / Data • Critical thinking
1. Identifying Producer and Consumer Surplus. 2. Identifying deadweight loss. 3. Defining economic efficiency using consumer and producer surplus. 4. Explaining the effects of government price controls and taxes on economic efficiency.	
Competency 3: The student will demonstrate knowledge of elasticity by:	• Numbers / Data • Critical thinking
1. Defining and calculating the price elasticity of demand. 2. Identifying whether demand is elastic, inelastic or unitary using the total revenue approach.	

3. Defining and calculating the price of elasticity supply. 4. Identifying whether supply is elastic, inelastic, or unitary. 5. Explaining the factors that influence the price elastic of demand.	
Competency 4: The student will demonstrate knowledge of utility by:	• Numbers / Data • Critical thinking
1. Defining total utility and marginal utility. 2. Explaining the marginal utility theory of consumer choice. 3. Explaining the Income Effect and Substitution Effect and why it explains the law of demand.	
Course Competency 5: The student will demonstrate knowledge of production costs by:	• Numbers / Data • Critical thinking
1. Distinguishing between short run and long run. 2. Explaining the relationship between a firm's output and costs in the short run. 3. Deriving and explaining a firm's short-run cost curves. 4. Identifying the difference between economic profits and normal profits. 5. Defining the law of diminishing marginal returns. 6. Demonstrating the ability to work with and graph production functions given appropriate data. 7. Defining economies and diseconomies of scale. 8. Explaining implicit, opportunity, and explicit costs. 9. Computing a cost chart and graph this given appropriate data.	
Course Competency 6: The student will demonstrate knowledge of the pure competition model by:	• Numbers / Data • Critical thinking
1. Defining pure competition. 2. Explaining how pricing and output are determined in a competitive industry. 3. Stating and explaining the characteristics of pure competition. 4. Identifying the equilibrium level of output and prices for a purely competitive firm and its corresponding profit or loss position from a given table and graph. 5. Constructing a short run supply curve for a competitive market.	

6. Explaining the two approaches to maximizing profits and minimizing losses. 7. Explaining how a firm determines whether to produce or shut down in the short run.	
Course Competency 7: The student will demonstrate knowledge of monopoly by:	• Numbers / Data • Critical thinking
1. Identifying the characteristics of a pure monopoly. 2. Explaining how a pure monopoly determines its output and price. 3. Constructing a demand curve and marginal revenue curve for pure monopoly. 4. Explaining how monopoly regulation influences output, price, economic profit and efficiency. 5. Comparing and contrasting pure competition and monopoly markets.	
Course Competency 8: The student will demonstrate knowledge of monopolistic competition and oligopoly by:	• Numbers / Data • Critical thinking
1. Identifying the characteristics of a monopolistically competition market structure. 2. Explaining how price and output is determined in a monopolistically competitive industry. 3. Defining product differentiation and non-price competition. 4. Explaining the impact of mutual interdependence on oligopolistic pricing policies. 5. Identifying the characteristics of an oligopolistic market structure. 6. Explaining the price rigidity in an oligopoly industry. 7. Comparing and contrasting the four market structures. 8. Understand the fundamentals of strategic decision making.	
Course Competency 9: The student will demonstrate knowledge of socio-economic concerns by:	• Numbers / Data • Critical thinking
1. Describing costs/benefits of private versus public production. 2. Defining the free rider concept. 3. Defining the effects of externalities on production. 4. Describing the effects of tragedy of the commons.	•

5. Describing the issues related to environmental economics.	