

ECON 101, Introduction to Micro-Economics

3 credits, 3 hours per week

Course Description

This course examines how individuals and firms use their scarce resources to attain economic goals, and how different economic systems try to solve this central problem of scarcity. The focus is on how individuals make consumption decisions and how firms determine how much to produce and what price to charge, given their costs and the market structure of the industry they operate within. The topics of economic functions of government, labour market fundamentals, environmental economics, and income inequality are also examined.

Pre and Co-requisites

None

Course Learning Outcomes (CLOs)

Upon successful completion of the course, the student shall be able to:

CLO1 Evaluate economic theory and analyze the problem of scarcity.

The following concepts, skills, and issues are used to support this Outcome:

- Explain scarcity and how resource use decisions are affected by rationality assumption, costs, benefits, and incentives.
- Define and distinguish micro- vs. macroeconomics.
- Explain the scientific method and differentiate between positive and normative economics.
- Describe the relationship among theories, policies, and socioeconomic goals.
- Draw the production possibilities curve and identify opportunity cost associated with scarcity.
- Define the law of diminishing marginal utility and how it impacts the decisions of consumers.

CLO2 Analyze forces of demand and supply in the market system.

The following concepts, skills, and issues are used to support this Outcome:

- Specify the laws of demand and supply.
- Graph demand and supply curves and find equilibrium.
- Illustrate how changes in demand and supply affect equilibrium.
- Demonstrate real-life examples of price floors and price ceilings.
- Explain market efficiency and market failure.
- Calculate price elasticity and illustrate the effects of the determinates of elasticity.

CLO3 Produce detailed production cost schedules and predict the firm's profit-maximizing behaviour(s).

The following concepts, skills, and issues are used to support this Outcome:

- Differentiate between accounting vs. economic profit.
- Calculate and compare short-run and long-run costs.
- Distinguish between average costs, marginal costs, and diminishing returns (interpret relationships between these costs).
- Determine the breakeven and shutdown points for a firm.

CLO4 Assess the characteristics of a firm and identify the relevant market structure.

The following concepts, skills, and issues are used to support this Outcome:

- Define the characteristics of four market structures: perfect competition, monopoly, monopolistic competition, and oligopoly.
- Calculate revenue/cost data and use marginal analysis to predict the rate of production.
- Define barriers to entry for appropriate market structures.
- Develop short-run supply curves and evaluate long-run behavior.
- Explain common types of behavior exhibited by firms in each market structure.
- Identify and explain the social costs of various market structures.

CLO5 Critique the economic function of government in Canada and its' role in managing the business environment.

The following concepts, skills, and issues are used to support this Outcome:

- Identify and explain the political and economic functions of government.
- Distinguish between different types of tax systems and identify major types of taxes and levels within Canada.
- Identify how the government redistributes income.
- Explain externalities and how these occur.
- Discuss the marginal benefits and costs of pollution and the government's role in protecting the environment.
- Discuss the labour market and evaluate minimum wage.

Evaluation

| Assessment Type | Percentage |
|-----------------|-------------|
| Assignments | 30% |
| Quizzes | 10% |
| Midterm Exam | 30% |
| Final Exam | 30% |
| Total | 100% |

Course Completion Requirements

Minimum passing mark of 50% or D is required.

Grading Scale

| 4.0 Grade Scale | Alpha Grade | Percentage Grade |
|-----------------|-------------|------------------|
| 4.0 | A+ | 93-100 |
| 4.0 | A | 85-92.9 |
| 3.7 | A- | 80-84.9 |
| 3.3 | B+ | 77-79.9 |
| 3.0 | B | 74-76.9 |
| 2.7 | B- | 70-73.9 |
| 2.3 | C+ | 67-69.9 |
| 2.0 | C | 64-66.9 |
| 1.7 | C- | 60-63.9 |
| 1.3 | D+ | 55-59.9 |
| 1.0 | *D | 50-54.9 |
| 0.0 | F | 0-49.9 |

Land Acknowledgement

We respectfully acknowledge that Keyano College is on Treaty No. 8 Territory, the ancestral and traditional territory of the Cree, Dene, and Métis people.

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Every effort has been made to ensure that information in this course outline is accurate at the time of publication. Keyano College reserves the right to change courses if it becomes necessary so that course content remains relevant. In such cases, the instructor will give the students clear and timely notice of the changes.

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