



COURSE OUTLINE

ECO 103
Course Number

Basic Economics
Course Title

3
Credits

3
Lecture/Laboratory Hours

Course description:

Basic economic concepts enable students to better understand, analyze, and discuss current economic events and problems. Includes Demand, Supply, and prices, measures of Gross Domestic Product (GDP), the circular flow of income, market structures, government fiscal policy, monetary policy and the national banking system, and international trade.

Prerequisites: ENG 101 and a min grade C in MAT037 **Corequisites:** None

Required text:

Reference MCCC Bookstore for latest edition

Last revised: Spring 2019

Course coordinator

Professor Laura Sosa, sosal@mccc.edu, x3475

Library resources:

Business Week, NY Times, Wall Street Journal, The Economist

Learning Center resources:

Tutors are available through the MCCC Learning Center.

Course goals(=CG).

The student will be able to:

1. Analyze the role that economic thinking and policy play in decision making for an individual, consumer, firm or society (GE #1 and 2; CS A and B)
2. Understand the mechanics and benefits of the price system in a competitive market and identify policies in times of market failure. (GE #1 and 2; CS A and B)
3. Apply the properties of Demand (Elasticity) and Supply (Costs) in making production and marketing decisions. (GE #1 and 2; CS A and B)
4. Distinguish between various forms of imperfect competition in industries, such as monopoly, monopolistic competition, and oligopoly. Explain the benefits of Perfect Competition as compared to these models. (GE #1 and 2; CS A and B).

5. Calculate various measures of the health of an economy such as GDP, inflation, and unemployment (GE #1 and 2; CS A and B)
6. Utilize Fiscal and Monetary tools to formulate policy decisions in order to achieve macroeconomic goals (GE #1 and 2; CS A and B)

Course-specific General Education Knowledge Goals and Core Skills.

General Education Knowledge Goals (=GE)

Goal 1. Communication. Students will communicate effectively in both speech and writing.

Goal 2. Mathematics. Students will use appropriate mathematical and statistical concepts and operations to interpret data and to solve problems.

Goal 4. Technology. Students will use computer systems or other appropriate forms of technology to achieve educational and personal goals.

Goal 8. Diversity. Students will understand the importance of a global perspective and culturally diverse peoples.

Goal 9. Ethical Reasoning and Action. Students will understand ethical issues and situations.

MCCC Core Skills (= CS)

Goal A. Written and Oral Communication in English. Students will communicate effectively in speech and writing, and demonstrate proficiency in reading.

Goal B. Critical Thinking and Problem-solving. Students will use critical thinking and problem solving skills in analyzing information.

Goal C. Ethical Decision-Making. Students will recognize, analyze and assess ethical issues and situations.

Goal D. Information Literacy. Students will recognize when information is needed and have the knowledge and skills to locate, evaluate, and effectively use information for college level work.

Goal E. Computer Literacy. Students will use computers to access, analyze or present information, solve problems, and communicate with others.

Goal G. Intra-Cultural and Inter-Cultural Responsibility. Students will demonstrate an awareness of the responsibilities of intelligent citizenship in a diverse and pluralistic society, and will demonstrate cultural, global, and

Course-specific goals and objectives

Units of study:

Unit I The Economic System

The student will be able to...

- define Economics (CG 1)
- explain and apply the concept of the Production Possibility Curve (CG1).
- explain the four basic economic questions (CG1).
- differentiate between Micro and Macro Economics (CG1).
- explain the basic goals of an economy (CG1).
- illustrate the concept of opportunity cost (CG1).
- explain the role of Economics as a social science (CG1).

Unit II The Market

The student will be able to...

- explain the characteristics of a competitive market and the price system (CG2).
- describe the Laws of Demand and Supply (CG2).
- describe the non-price determinants of Demand and Supply (CG2).
- distinguish between the difference between quantity demanded (supplied) and a change in demand (supply) (CG2).
- apply how demand and supply conditions determine prices and output (CG2).

- determine the equilibrium price and quantity (CG2).
- demonstrate how equilibrium is sustained through the price mechanism (CG2).
- explain how market prices other than equilibrium cause shortages/surpluses (CG2).
- analyze changes to equilibrium based upon changes in demand and/or supply (CG2).
- apply market concepts to explain the price and output of specific products (CG2).
- explain the role that government plays in a market economy (CG2).
- distinguish between a market and centrally planned economy (CG2).
- explain cases of market failure and appropriate remedies and their outcomes

Unit III Firm Behavior

The student will be able to...

- apply the concept of elasticity of demand (CG3).
- illustrate examples of products with various elasticities (CG3).
- calculate and interpret the Elasticity of Demand for a product or service (CG3).
- analyze the costs incurred by a firm such as variable, fixed, average and total (CG3).
- differentiate between the short and long run (CG3)
- distinguish between explicit and implicit costs (opportunity costs) (CG3).
- apply the Law of Diminishing Returns to a production setting (CG3).

Unit IV Perfect and Imperfect Competitive Models

The student will be able to...

- distinguish the characteristics between perfect competition and imperfect market models (monopolistic competition, monopoly, oligopoly) (CG4).
- calculate the pricing and output decision for each of the models above (CG4).
- differentiate between the short run and long run aspects of maximizing profits (CG4).
- demonstrate how the labor market works (CG4).

Unit V Macroeconomic Measures

The student will be able to

- Explain key macroeconomic goals (CG5)
- Define the components of Gross Domestic Product (GDP) (CG5).
- Identify the four phases of the business cycle. (CG5)
- Explain the link between GDP and economic growth.(CG5)
- Explain why income and expenditures can both be used to calculate GDP through the use of the Circular Flow model. (CG5)
- Calculate the Consumer Price Index (CPI) (CG5).
Define and calculate inflation rates and the types of inflation and explain who loses and who benefits from inflation (CG5).
- define and calculate unemployment rates (CG5).
- explain the four types of unemployment and the frailties of the unemployment rate.(CG5)
- explain leading and lagging economic indicators. (CG5)

Unit VI Fiscal Policy

The student will be able to.....

- utilize the Aggregate Demand and Aggregate Supply (AD/AS) model to determine equilibrium GDP and the GDP gap. (CG6)
- apply the AD/AS framework to formulate the appropriate fiscal policy recommendations (expansionary or contractionary policies) based on achieving full employment and price

- Stability (CG6).
- apply the concepts of the simple, tax and balanced budget multipliers to achieve changes to GDP (CG6).
- evaluate the tools of Fiscal policy (CG6).
- interpret the history of US macroeconomic policy and the government's role (CG6).
- define budget deficits and the national debt (CG6).
- assess the concerns over the building national debt (CG6).

Unit VII US Banking System and Monetary Policy

The student will be able to

- explain the characteristics and functions of money (CG6).
- identify the M1, M2, M3 definitions of the money supply (CG6).
- illustrate the banking system of the US and the role of the Federal reserve bank (CG6).
- examine how money is created (CG6).
- discuss the three types of demand for money (CG6).
- formulate the equilibrium interest rate based on the demand and supply of money (CG6).
- calculate changes to the money supply based on the lending potential of a single bank versus the entire banking system (CG6).
- explain how the three main tools of the Federal Reserve can be used to target changes in the money supply (CG6).
- integrate knowledge of the Federal Reserve's tools to formulate monetary policy decisions (Easy versus Tight) based on the AD/AS model (CG6).

Evaluation of student learning.

Students may be evaluated based upon the following:

- 20% - Exam #1 – Unit I and II
- 30% - Exam #2 – Unit III and Unit IV
- 30% - Exam #3 - Unit V, VI, VII
- 20% Quizzes/take home assignments

Full and engaged attendance is expected and will be factored into the final grade. A half letter grade will be lowered for every three absences. Students are solely responsible for all content and announcements covered in their absence as well as acquiring distributed material. Students are also expected to arrive on time to class and are responsible for removal of any distractions (pagers, cell phones, side conversations, etc).

Academic Integrity Statement:

Mercer County Community College is committed to Academic Integrity -- the honest, fair and continuing pursuit of knowledge, free from fraud or deception. This implies that students are expected to be responsible for their own work, and that faculty and academic support services staff members will take reasonable precautions to prevent the opportunity for academic dishonesty.

The college recognizes the following general categories of violations of Academic Integrity, with representative examples of each. Academic Integrity is violated whenever a student:

A. Uses or obtains unauthorized assistance in any academic work.

- copying from another student's exam.
- using notes, books, electronic devices or other aids of any kind during an exam when prohibited.
- stealing an exam or possessing a stolen copy of an exam.

B. Gives fraudulent assistance to another student.

- completing a graded academic activity or taking an exam for someone else.
- giving answers to or sharing answers with another student before, during or after an exam or other graded academic activity.
- sharing answers during an exam by using a system of signals.

C. Knowingly represents the work of others as his/her own, or represents previously completed academic work as current.

- submitting a paper or other academic work for credit which includes words, ideas, data or creative work of others without acknowledging the source.
- using another author's words without enclosing them in quotation marks, without paraphrasing them or without citing the source appropriately.
- presenting another individual's work as one's own.
- submitting the same paper or academic assignment to another class without the

permission of the instructor.

- falsifying bibliographic entries.
- submitting any academic assignment which contains falsified or fabricated data or results.

D. Inappropriately or unethically uses technological means to gain academic advantage.

- inappropriately or unethically acquiring material via the Internet or by any other means.
- using any electronic or hidden devices for communication during an exam.

Each instructor and academic support service area is authorized to establish specific guidelines consistent with this policy.

Consequences for Violations of Academic Integrity

For a single violation, the faculty member will determine the course of action to be followed. This may include assigning a lower grade on the assignment, assigning a lower final course grade, failing the student in the course, or other penalty appropriate to the violation. In all cases, the instructor shall notify the Chair of the Academic Integrity Committee of the violation and the penalty imposed.

When two (or more) violations of academic integrity are reported on a student, the Academic Integrity Committee (AIC) may impose disciplinary penalties beyond those imposed by the course instructors. The student shall have the right to a hearing before the AIC or a designated AIC subcommittee.

Appeals

The student has a right to appeal the decision of the instructor or the Academic Integrity Committee. Judicial procedures governing violations of Academic Integrity are contained in the Student Handbook.

GRADING

Letter Grade	Nominal %
A	93-100
A-	90-92
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	70-76
D	60-69
F	0-59

