



**El Camino College**  
**COURSE OUTLINE OF RECORD – Approved**

**I. GENERAL COURSE INFORMATION**

**Subject and Number:** Economics 100  
**Descriptive Title:** Fundamentals of Economics  
**Course Disciplines:** Economics  
**Division:** Behavioral and Social Sciences

**Catalog Description:**

In this course, students are introduced to the study of how a market economy solves the problem that the scarcity of resources and goods imposes on a society. Supply and demand concepts, the effects of controls on the economy, unemployment and inflation, and the principles of international trade and finance are also discussed.

**Conditions of Enrollment:**

**Recommended Preparation:** English 1 or eligibility for English 1A or qualification by appropriate assessment

<b>Course Length:</b>	<input checked="" type="checkbox"/> Full Term	<b>Other (Specify number of weeks):</b>
<b>Hours Lecture:</b>	3.00 hours per week	TBA
<b>Hours Laboratory:</b>	0 hours per week	TBA
<b>Course Units:</b>	3.00	

**Grading Method:** Letter  
**Credit Status:** Associate Degree Credit

**Transfer CSU:**  Effective Date: Prior to July 1992  
**Transfer UC:**  Effective Date: Prior to July 1992

**General Education:**

**El Camino College:**  
**2C – Social and Behavioral Sciences – General**  
 Term: Other: Approved

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**CSU GE:**  
**D2 - Economics**  
 Term: Other: Approved

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**IGETC:**  
**4B - Economics**  
 Term: Fall 1991 Other:

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## II. OUTCOMES AND OBJECTIVES

- A. COURSE STUDENT LEARNING OUTCOMES (The course student learning outcomes are listed below, along with a representative assessment method for each. Student learning outcomes are not subject to review, revision or approval by the College Curriculum Committee)**

**SLO #1 Tools of Economic Analysis**

Using tools of economic analysis, student will be able to explain basic concepts or ideas.

- B. Course Student Learning Objectives (The major learning objective for students enrolled in this course are listed below)**

1. Understand and explain the central economic problem of scarcity and the resulting implications on choice and opportunity cost.
2. Analyze how market economies and command economies answer the three basic economic questions of what to produce, how to produce, and for whom to produce.
3. Examine and explain the laws of demand and supply, and demonstrate how demand and supply curves determine the price of a product and the quantity of the product bought and sold.
4. Calculate the price elasticity of demand and describe the relationship between the price elasticity of demand and total revenue.
5. Identify and describe the behavior of costs.
6. Analyze how competitive firms determine output and price.
7. Assess how a monopolist would determine output and price.
8. Examine the causes of government intervention in markets and analyze government policy options.
9. Understand and describe how the phases of the business cycle give rise to the principal macroeconomic problems of unemployment and price inflation.
10. Illustrate and explain how aggregate demand and supply curves determine a nation's total output and the average price level.
11. Describe the principal tools of fiscal policy.
12. Explain the role of the banking system in determining the quantity of money in circulation.
13. Identify and analyze the principal tools of monetary policy.
14. Evaluate how countries can benefit from international trade.

**III. OUTLINE OF SUBJECT MATTER (Topics are detailed enough to enable a qualified instructor to determine the major areas that should be covered as well as ensure consistency from instructor to instructor and semester to semester.)**

<b>Lecture or Lab</b>	<b>Approximate Hours</b>	<b>Topic Number</b>	<b>Major Topic</b>
Lecture	7	I	Introduction A. The Central Problem of Scarcity B. The Three Basic Economic Questions 1. What Goods and Services Are Produced 2. How Goods and Services Are Produced 3. Who Consumes These Goods
Lecture	4	II	Demand and Supply A. Market Participants B. Market Interactions C. Demand D. Supply E. Equilibrium F. Disequilibrium Pricing
Lecture	3	III	Consumer Demand A. Utility Theory and the Demand Curve B. Price Elasticity
Lecture	3	IV	Supply Decisions A. The Production Function B. Costs of Production C. Economics Versus Accounting Costs
Lecture	4	V	Competition A. Market Structure B. Perfect Competition C. Production Choices D. Profit Maximization E. Supply Behavior F. Industry Entry and Exit in the Long Run
Lecture	3	VI	Monopoly A. Monopoly Structure B. Monopoly Behavior C. Barriers to Entry
Lecture	4	VII	The Labor Market A. Labor Supply B. Labor Demand C. The Hiring Decision D. Market Equilibrium
Lecture	4	VIII	Government Intervention A. Market Failure B. Public Goods C. Externalities D. Antitrust Policy E. Equity

Lecture	4	IX	The Business Cycle A. Macroeconomic Performance Assessment B. Gross Domestic Product Growth C. Unemployment D. Inflation
Lecture	4	X	Aggregate Supply and Demand A. The Aggregate Supply-Aggregate Demand Model B. Macroeconomic Failure C. Competing Theories of Short-Run Macroeconomic Instability D. Policy Options
Lecture	4	XI	Fiscal Policy A. Components of Aggregate Demand B. The Nature of Fiscal Policy C. Fiscal Stimulus and Restraint
Lecture	3	XII	Money and Banks A. The Supply and Uses of Money B. The Money Multiplier
Lecture	3	XIII	Monetary Policy A. The Federal Reserve System B. The Tools of Monetary Policy C. Shifting Aggregate Demand
Lecture	4	XIV	International Trade A. United States Trade Patterns B. Motivation to Trade C. Comparative Advantage D. Terms of Trade E. Protectionist Pressures F. Barriers to Trade G. Exchange Rates
Total Lecture Hours		54	
Total Laboratory Hours		0	
Total Hours		54	

#### IV. PRIMARY METHOD OF EVALUATION AND SAMPLE ASSIGNMENTS

##### A. PRIMARY METHOD OF EVALUATION:

Substantial writing assignments

##### B. TYPICAL ASSIGNMENT USING PRIMARY METHOD OF EVALUATION:

Read the chapter in your textbook on fiscal policy. In a three-page typed essay, explain how an initial change in government spending or taxes will lead to a total change in spending that is a multiple of the initial change in government spending or taxes. Assume that the Marginal Propensity to Consume is 0.8 and show at least 5 rounds of spending cycles generated by an increase in government spending of \$100 billion.

**C. COLLEGE-LEVEL CRITICAL THINKING ASSIGNMENTS:**

1. In a two- to three-page typed essay, compare the effectiveness of a tax cut of \$500 billion with the effectiveness of a \$500 billion increase in government spending in increasing total spending and reducing unemployment. Analyze why changes in government spending are more effective than tax cuts.
2. In a three- to four-page typed essay, analyze the effect of an open market operation on the supply of money, the rate of interest, the level of investment, aggregate demand and the level of output and prices in the national economy. Assess and compare the effectiveness of contractionary monetary policy. Is there a difference? Please explain.

**D. OTHER TYPICAL ASSESSMENT AND EVALUATION METHODS:**

Essay exams  
Objective Exams  
Written homework  
Multiple Choice  
Completion

**V. INSTRUCTIONAL METHODS**

Discussion  
Lecture  
Multimedia presentations

**Note: In compliance with Board Policies 1600 and 3410, Title 5 California Code of Regulations, the Rehabilitation Act of 1973, and Sections 504 and 508 of the Americans with Disabilities Act, instruction delivery shall provide access, full inclusion, and effective communication for students with disabilities.**

**VI. WORK OUTSIDE OF CLASS**

Study  
Skill practice  
Problem solving activities  
Written work

**Estimated Independent Study Hours per Week: 6**

**VII. TEXTS AND MATERIALS**

**A. UP-TO-DATE REPRESENTATIVE TEXTBOOKS**

Robert L. Sexton. Exploring Economics. 8<sup>th</sup> ed. Sage Publishing, 2019.

**B. ALTERNATIVE TEXTBOOKS**

**C. REQUIRED SUPPLEMENTARY READINGS**

**D. OTHER REQUIRED MATERIALS**

**VIII. CONDITIONS OF ENROLLMENT**

**A. Requisites (Course and Non-Course Prerequisites and Corequisites)**

Requisites	Category and Justification
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**B. Requisite Skills**

Requisite Skills
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**C. Recommended Preparations (Course and Non-Course)**

Recommended Preparation	Category and Justification
English 1	Category: Course Justification: This course involves reading college level textbooks, answering essay questions, creating graphs, and written homework/homework problems. A student's success in this class will be enhanced if they have these skills.
Eligibility for English 1A or qualification by appropriate assessment	Category: Non-Course Justification: This course involves reading college level textbooks, answering essay questions, creating graphs, and written homework/homework problems. A student's success in this class will be enhanced if they have these skills.

**D. Recommended Skills**

Recommended Skills
Students need well-developed reading skills in order to understand and interpret information in their textbooks and writing skills to answer essay questions.
ENGL 1 – Summarize, analyze, evaluate, and synthesize college-level texts.
ENGL 1 – Write a well-reasoned, well-supported expository essay that demonstrates application of the academic writing process.

**E. Enrollment Limitations**

Enrollment Limitations and Category	Enrollment Limitations Impact
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Course created by Augustus Shackelford on 09/18/1975.

**BOARD APPROVAL DATE:**

**LAST BOARD APPROVAL DATE: 05/18/2020**

**Last Reviewed and/or Revised by Minehiro Inouye and Tanja Carter**

**Date: 03/26/2020**

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