

Economics 102

Principles of Economics: Macroeconomics Theory

3 units; 3 hours lecture

Prerequisite: Economics 101 or Economics 101H with a minimum grade of C

Degree applicable Transfer CSU, UC

This course focuses on the fundamental laws of supply and demand. The principles that govern the operation of the market economy using microeconomic theory will be examined. In particular, emphasis will be placed on decision making by individual consumers and firms, and how the allocation of goods and resources are determined in both competitive and monopolistic markets.

Course Objectives:

1. Define scarcity and describe how it relates to economic decision making.
2. Explain the concept of opportunity cost and its role in the analysis of economic behavior.
3. Identify why prices help determine the allocation of scarce resources.
4. Utilize supply and demand analysis to evaluate and predict market behavior.
5. Explain the economic impact of the imposition of a binding price ceiling or price floor on a market.
6. Calculate the price elasticity of demand and explain how this elasticity measure can be used to assess economic behavior.
7. Explain the law of diminishing marginal utility and its role in the analysis of consumer decision-making.
8. Describe the law of diminishing marginal productivity and discuss how it affects the cost of producing goods and services.
9. Analyze how prices and outputs are determined in both perfectly competitive and imperfectly competitive markets.
10. Explain why monopolies are socially inefficient.
11. Analyze how employment and prices are determined in input markets.
12. Identify positive and negative externalities in our economy and describe how the presence of these externalities can lead to market failure.
13. Describe the characteristics of a public good and explain the free rider problem associated with public goods.
14. Explain how asymmetric information can lead to market failure.

Student Learning Outcomes (SLO):

1. Tools of Economics Analysis

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

ADA Statement:

El Camino College is committed to providing educational accommodations for students with disabilities upon the timely request by the student to the instructor. A student with a disability, who would like to request an academic accommodation, is responsible for identifying herself/himself to the instructor and to the Special Resource Center. To make arrangements for academic accommodations, contact the Special Resource Center.

Student Code of Conduct

<https://www.elcamino.edu/administration/board/2019-policies/AP%205500%20Student%20Conduct%20.pdf>

Student Rights and Grievances Procedure 5530

<https://www.elcamino.edu/administration/board/boarddocs/AP%205530%20STUDENT%20%20RIGHTS%20AND%20GRIEVANCES.pdf>