

University of Arkansas – Fort Smith

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General Syllabus

ECON 22003 Principles of Microeconomics

Credit Hours: 3

Lecture Hours: 3

Laboratory Hours: 0

Prerequisite: MATH 11103 College Mathematics and Quantitative Literacy or higher MATH course

Effective Catalog: 2019-2020

I. Course Information

A. Catalog Description

Introduction to microeconomic theory, the study of consumer and firm behavior. Examines the interaction of demand and supply in determining market price and output. Explores preferences, utility, consumer choice, elasticities, production, costs, and efficiency. Emphasizes manager decision making in the presence of various market structures including perfect competition, monopolistic competition, oligopoly, and monopoly. Overviews economic rationale of anti-trust policy. (ACTS: ECON 2203)

II. Student Learning Outcomes

A. Subject Matter

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

1. Solve for market equilibrium from graphical, tabular, and equation presentations.
2. Analyze the impacts of changes in supply and demand factors on equilibrium price and quantity.
3. Calculate and interpret price elasticity of demand and supply, income elasticity of demand, and cross-price elasticity of demand.
4. Discuss the relationship between the price elasticity of demand and total revenue.
5. Determine the consumer's utility maximizing bundle of goods from both graphical (indifference curve analysis) and tabular (marginal utility per dollar spent) presentations.
6. Demonstrate how utility maximization at varying price levels leads to the derivation of the demand curve.
7. Differentiate between fixed and variable inputs and the costs associate with each.
8. Discuss the concept of diminishing marginal returns.

9. Compute economic and accounting profits.
10. Determine the profit maximizing level of output for firms in both competitive and non-competitive market structures given total revenue and cost as well as marginal revenue and cost.
11. Distinguish between perfect competition, monopoly, monopolistic competition, and oligopoly market structures.
12. Analyze the efficiency differences between perfect competition and pure monopoly.
13. Discuss the structural and behavioral philosophies of US. Regulation of monopolies and the economic outcome of regulation.
14. Determine the optimal resource allocation for the firm.

B. University Learning Outcomes

This course enhances student abilities in the following area:

Analytical Skills (Quantitative Reasoning Skills)

Students will apply appropriate mathematical models to solve problems, and will represent mathematical information symbolically, visually, numerically and verbally and will interpret models and data with appropriate technology in order to draw inferences.

III. Major Course Topics

- A. Scarcity and Choice
- B. Demand and Supply
- C. Market Equilibrium
- D. Elasticity
- E. Consumer Choice Theory
- F. Production and Cost
- G. Perfect Competition
- H. Monopoly
- I. Antitrust Regulation Monopolistic Competition
- J. Oligopoly
- K. Optimal Resource Allocation