MEASURABLE LEARNING OUTCOMES

ECON 2302 – MICROECONOMICS

1. Describe the importance of scarcity to economic decision making.

2. Identify the opportunity cost encountered in any decision.

3. Demonstrate the economic concepts of scarcity, trade-offs, efficiency, unemployment, and economic growth, using a production possibilities frontier model.

4. Interpret how changes in demand behavior and/or supply behavior affect prices and quantity in a market.

5. Justify how efficient market activity maximizes overall social well-being.

6. Demonstrate inefficiencies that develop in a market when government imposes any type of price control.

7. Identify the characteristics of goods that determine that good’s elasticity of demand.

8. Explain the importance of elasticity of demand in a firm’s pricing decisions.

9. Summarize the law of diminishing marginal utility, and describe the process one uses to arrive at consumer equilibrium.

10. Contrast accounting profit, economic profit, and normal profit.

11. Generate a model of the production cost curves in the short run and long run.

12. Analyze the reasons that lead to economies of scale and diseconomies of scale.

13. Outline the decision-making rules that lead to profit maximization or loss minimization.

14. Outline the decision-making rules that lead a firm to expand operations, to continue current operations, to cut back operations, or to close down in the short run.

15. Compare and contrast the characteristics of the four market structures.

16. Explain how a natural monopoly comes into existence and how it is operated.

17. Outline government approaches to mergers and monopolizing behavior.

18. Outline the decision-making rules that a profit-maximizing firm would use when hiring labor.
19. Describe reasons for income inequality.

20. Define interest and explain what determines its level.

21. Contrast positive and negative externalities and devise a government program to respond to each.

22. Describe what must be done to provide society adequate amounts of a public good.

23. Explain the importance of comparative advantage and give examples.

24. Compare and contrast who benefits and who loses in free international trade and in protected international trade.

25. Contrast a flexible foreign exchange rate system with a fixed exchange rate system.