



Western Technical College

## 10809195 Economics

### Course Outcome Summary

#### Course Information

<b>Description</b>	This course is designed to give an overview of how a market-oriented economic system operates, and it surveys the factors which influence national economic policy. Basic concepts and analyses are illustrated by reference to a variety of contemporary problems and public policy issues. Concepts include scarcity, resources, alternative economic systems, growth, supply and demand, monetary and fiscal policy, inflation, unemployment and global economic issues.
<b>Instructional Level</b>	Associate Degree Courses
<b>Total Credits</b>	3
<b>Total Hours</b>	54

#### Textbooks

*Mankiw's Essentials of Economics Access Card*. 9th Edition. Copyright 2021. Mankiw, N. Gregory. Publisher: Cengage Learning. **ISBN-13:** 978-0-357-13368-2. Required

#### Success Abilities

1. Cultivate Passion: Enhance Personal Connections
2. Cultivate Passion: Expand a Growth-Mindset
3. Cultivate Passion: Increase Self-Awareness
4. Live Responsibly: Develop Resilience
5. Refine Professionalism: Improve Critical Thinking
6. Refine Professionalism: Practice Effective Communication

#### Course Competencies

1. **Develop a rationale for economic systems.**

##### Assessment Strategies

- 1.1. On-line Activity
- 1.2. Written Objective Test

## Criteria

*You will know you are successful when*

- 1.1. you use economic terminology.
- 1.2. you describe the function of economic systems.
- 1.3. you demonstrate the use of economic models.
- 1.4. you explain the relationship between scarcity, economic value, and price.
- 1.5. you present a basic cost/benefit analysis, using a correctly constructed Production Possibilities Curve (PPC) to represent choices/opportunity cost/trade-offs.
- 1.6. you include appropriate examples of concepts described.

## Learning Objectives

- 1.a. Define rationale.
- 1.b. Define economic system.
- 1.c. Explain the need for economic systems.
- 1.d. Define scarcity.
- 1.e. Describe basic choices that must be made because of scarcity; ie what, how, for whom.
- 1.f. Illustrate examples of opportunity cost decisions.
- 1.g. Use production possibilities curve to show trade-offs/choices and scarcity.
- 1.h. Apply the concepts of scarcity to resource uses on a production possibilities frontier.
- 1.i. Describe the economic decisions involved in the production of a product (ex. purse).
- 1.j. Reflect on the opportunity costs in your local community and in the country.
- 1.k. Interpret how economic systems affects his/her life.

## 2. Compare alternative economic systems.

### Assessment Strategies

- 2.1. through an oral or written comparison

## Criteria

*You will know you are successful when*

- 2.1. you select appropriate economic systems.
- 2.2. you describe important economic attributes that encompass the most essential aspects of the systems.
- 2.3. you accurately present the similarities and differences among the selected systems, using the identified attributes.
- 2.4. you present real-world examples that illustrate differences and similarities.
- 2.5. you draw inferences about strengths and weakness of systems being contrasted.
- 2.6. you present real-world examples that illustrate inference about strengths and weakness.
- 2.7. you show that inferences are logical and defensible.

## Learning Objectives

- 2.a. Assess the need and purpose of each economic system.
- 2.b. Describe characteristics of each system.
- 2.c. Identify economic systems.
- 2.d. Distinguish at least three economic important characteristics of each economic system.
- 2.e. Identify, describe, and give examples of weaknesses and strengths of different systems.
- 2.f. Explain how each system answers three questions (I. O. P.).
- 2.g. Relate to both economic function (taxes, government spending, business, property, etc.) and political ideology.
- 2.h. Describe ownership of production in each system.
- 2.i. Describe the role of women in a traditional economic system.
- 2.j. Categorize resources as public resources or private resources.
- 2.k. Compare consumer sovereignty in non-market with market economies.
- 2.l. Explain how a welfare state can survive
- 2.m. Identifies a market system.
- 2.n. Distinguish between M&T and Command system.

## 3. Use marginal (Cost-Benefit) analysis in decision-making.

### Assessment Strategies

- 3.1. through a written or oral analysis

## Criteria

*You will know you are successful when*

- 3.1. you address a realistic workplace or consumer economic decision.
- 3.2. you clarify the economic decision under consideration.
- 3.3. you present the possible alternatives.
- 3.4. you describe the costs and benefits of each alternative.
- 3.5. you accurately show the point at which cost exceeds the benefit of each alternative.
- 3.6. you recommend a decision.
- 3.7. you defend recommendation.
- 3.8. you demonstrate correct use of economic terminology.

## Learning Objectives

- 3.a. Explain marginal analysis in personal consumption.
- 3.b. Construct a cost/benefit analysis to justify an economic choice.
- 3.c. Compare costs and benefits of studying for four hours.
- 3.d. Examine the value of mps and mpc.
- 3.e. Decide employment level based upon labor cost and MRP.

## 4. Apply supply and demand analysis to price determination.

### Assessment Strategies

- 4.1. through a written or oral analysis

## Criteria

*You will know you are successful when*

- 4.1. you describe a realistic workplace or consumer economic choice.
- 4.2. you clearly describe the choice being analyzed.
- 4.3. you include a supply and demand graph showing all elements correctly labeled.
- 4.4. you include a supply and demand graph accurately reflecting changes in equilibrium.
- 4.5. you present interpretation of potential changes in equilibrium resulting from changes in supply and/or demand.
- 4.6. you describe logic of interpretation.
- 4.7. you demonstrate use of correct economic terminology.

## Learning Objectives

- 4.a. Explain demand and supply.
- 4.b. Identify supply and demand characteristics from schedules and graphs.
- 4.c. Examine how demand and supply are affected by changes in price and nonprice factors.
- 4.d. Explore how demand and supply interact in markets to determine prices
- 4.e. Explore equilibrium price and quantity, shortages, and surpluses in a market.
- 4.f. Connect how price moves the market back to equilibrium in relation to surplus and shortage.

## 5. Assess the role price plays in a market economy.

### Assessment Strategies

- 5.1. through a written or oral analysis

## Criteria

*You will know you are successful when*

- 5.1. you describe different rationing tools.
- 5.2. you describe the role of price as a rationing device.
- 5.3. you include the impact of price floors.
- 5.4. you include the impact of price ceilings.
- 5.5. you describe the problems of price floors and ceilings.
- 5.6. you evaluate examples of current floors and ceilings.
- 5.7. you describe the role of price as an information tool.

## Learning Objectives

- 5.a. Examine how changes in demand and changes in supply affect equilibrium prices and quantities in markets.
- 5.b. Research how government-imposed price ceilings and price floors influence market conditions.

- 5.c. Define scarcity and the choice problem which underlies Economics.
- 5.d. Explore opportunity cost, efficiency, equity and their relationship to scarcity.
- 5.e. Identify the implications of scarcity to prices in the marketplace.

## **6. Examine market failures within a capitalistic system.**

### **Assessment Strategies**

- 6.1. through a written or oral analysis

### **Criteria**

*You will know you are successful when*

- 6.1. you demonstrate the effect of positive externalities.
- 6.2. you demonstrate the effect of negative externalities.
- 6.3. you demonstrate the effect the natural monopolies.
- 6.4. you demonstrate the effect of income inequality.
- 6.5. you describe the role of government in addressing the market failure.

### **Learning Objectives**

- 6.a. Examine the social benefits and costs of economic decision making.
- 6.b. Define both positive and negative externalities and their effects on society.
- 6.c. Examine how individual costs and benefits form the basis of collective, or public, choices.
- 6.d. Explore using cost benefit analysis and the effects of externalities on the net benefit to society.

## **7. Differentiate market structures in product markets.**

### **Assessment Strategies**

- 7.1. through a written or oral analysis

### **Criteria**

*You will know you are successful when*

- 7.1. you describe conditions of market differentiation.
- 7.2. you describe requirements of market differentiation.
- 7.3. you describe the effects of market differentiation on the economic well-being of a society.
- 7.4. you provide examples of various market structures.
- 7.5. you provide illustration for various market structures.

### **Learning Objectives**

- 7.a. Describe the difference between product markets and factor markets.
- 7.b. Define a market and identify how its boundaries are determined.
- 7.c. Examine a firm's pricing and profit behavior.
- 7.d. Explore how pricing and profit behavior are related to competition in the market.
- 7.e. Categorize the characteristics of market structures: pure competition, monopolistic competition, oligopoly, and monopoly.
- 7.f. Give examples of each type of market structure.
- 7.g. Examine a firm's demand curve, pricing behavior, and nonprice competitive behavior on each of the four market structures.
- 7.h. Evaluate how consumers fare and how efficiency is achieved by firms in each of the four market structures.
- 7.i. Connect product markets and factor markets using the circular flow diagram of economic activity.

## **8. Relate factor markets to production.**

### **Assessment Strategies**

- 8.1. through a written or oral analysis

### **Criteria**

*You will know you are successful when*

- 8.1. you provide real examples to show how the factors of production (land, labor, capital, entrepreneurship) and their factor payments affect production.
- 8.2. you describe clearly and concisely the examples being analyzed.
- 8.3. you show how the factor markets contributed to the existing situation within the examples.
- 8.4. you predict how changes in each of the factor markets will change productivity.

- 8.5. you predict the impact on other factor markets when two or more factor markets change.
- 8.6. you present logic for predictions when two or more markets change.
- 8.7. you demonstrate use of correct economic terminology.

**Learning Objectives**

- 8.a. Define factor markets.
- 8.b. Identify or list four factors of production.
- 8.c. Categorize sample factors into one of the factors.
- 8.d. Give examples of each of the factors of production.
- 8.e. Summarize the role of the entrepreneur in integrating land, labor, and capital to achieve production.
- 8.f. Explain how qualitative and quantitative changes in land, labor, capital, and entrepreneurship impact production.
- 8.g. Show how entrepreneurship effects other factor resources.
- 8.h. Predict the effects of changes in factor prices on output.
- 8.i. Relate changes in input to changes in output.
- 8.j. Predict the employment result of a rise in the minimum wage.
- 8.k. Compare labor force participation rates to labor needs.
- 8.l. Analyze how wages are determined.
- 8.m. Analyze how wage rates are determined.
- 8.n. Connect product markets and factor markets using the circular flow diagram of economic activity.

**9. Assess causes and consequences of changes in output, employment, and prices due to fluctuations in the level of economic activity.**

**Assessment Strategies**

- 9.1. through a written or oral assessment

**Criteria**

*You will know you are successful when*

- 9.1. you present a case study or actual situation in which output, employment and/or prices change.
- 9.2. you describe changes in output, employment, and/or price.
- 9.3. you graph the relationship between changes in aggregate demand (AD) or aggregate supply (AS) and output, employment, and/or price level.
- 9.4. you analyze causes of the changes.
- 9.5. you predict the consequences of changes.
- 9.6. you include defensible rationale for causes and prediction of consequences.
- 9.7. you use standard indicators of economic fluctuations.

**Learning Objectives**

- 9.a. Define inflation and deflation.
- 9.b. Explain how output, employment and price are measured.
- 9.c. Assess the impact of changes in output on employment and price.
- 9.d. Differentiate among differing types of unemployment.
- 9.e. Differentiate among differing types of inflation.
- 9.f. Explain major shifts in employment in various industries.
- 9.g. Show how unemployment leads to more unemployment.
- 9.h. Explain the BPI and other price indexes.

**10. Assess macroeconomic stabilization policies.**

**Assessment Strategies**

- 10.1. through a written or oral assessment

**Criteria**

*You will know you are successful when*

- 10.1. you describe the role of government in adjusting economic fluctuations.
- 10.2. you apply conventional fiscal policy actions to correct economic fluctuations.
- 10.3. you apply the roles of the implementers of fiscal policy.
- 10.4. you apply conventional monetary policy actions to correct economic fluctuations.
- 10.5. you describe the role of the Federal Reserve system in implementing monetary policy.
- 10.6. you describe the monetary tools used by the Federal Reserve.

### Learning Objectives

- 10.a. Examine the mechanics of fiscal policy.
- 10.b. Differentiate between discretionary and automatic fiscal policy.
- 10.c. Examine the relationship between the federal budget and fiscal policy.
- 10.d. Examine the role of financial institutions as related to the control of the US money supply.
- 10.e. Examine the role of the Federal Reserve system.
- 10.f. Examine the relationship between the economy's money supply and output, employment, and prices.
- 10.g. Identify the role the interest rate.
- 10.h. Define monetary policy and explain the major tools for carrying out monetary policy by the Federal Reserve.

## 11. Evaluate government's role in an economic system.

### Assessment Strategies

- 11.1. through a written or oral evaluation

### Criteria

*You will know you are successful when*

- 11.1. you describe at least four current examples of government involvement (taxing, spending, regulating, and stabilizing) in an economy.
- 11.2. you describe the role the government plays in each of the four examples.
- 11.3. you analyze the cost/benefit of government's role in each of the examples.
- 11.4. you draw conclusions about the government's role in each of the examples.
- 11.5. you outline a personal position describing the role government should play in an economy.
- 11.6. you defend the position taken.

### Learning Objectives

- 11.a. Examine the government's role in taxing, spending, regulating, and stabilizing the economy.
- 11.b. Define a surplus, balanced, and deficient budget.
- 11.c. Identify economic impact of each type of budget.
- 11.d. Identify major expenditures of government.
- 11.e. Distinguish between progressive, proportional, and regressive taxes.
- 11.f. Define the national debt including its financing, size and burden on taxpayers.

## 12. Assess the impact of the globalization of economies.

### Assessment Strategies

- 12.1. through a written or oral assessment

### Criteria

*You will know you are successful when*

- 12.1. you illustrate recent trends in economic globalization among nations.
- 12.2. you illustrate different methods of economic globalization.
- 12.3. you analyze costs/benefits of economic globalization.
- 12.4. you indicate the effects of economic globalization on domestic economy.
- 12.5. you indicate the effects of economic globalization on economic systems.

### Learning Objectives

- 12.a. Explain how comparative advantage leads to mutually beneficial globalized trade.
- 12.b. Identify the sources of globalized comparative advantage.
- 12.c. Explore the difference between comparative advantage and absolute advantage.
- 12.d. Identify winners and losers in globalized trade including why gains exceed the losses.
- 12.e. Define tariffs and import quotas.
- 12.f. Define trade protections and international trade agreements.
- 12.g. Identify various trade policies and examine key trade agreements.

## 13. Assess the effect of economics on contemporary public issues.

### Assessment Strategies

- 13.1. through a written or oral assessment

### Criteria

*You will know you are successful when*

- 13.1. you address specific economic policy(s) and specific contemporary issue(s).
- 13.2. you describe the role of economic policy(s) in managing economic growth.
- 13.3. you show the relationship between the selected economic policy(s) and contemporary issue(s).
- 13.4. you analyze costs/benefits of the selected economic policy(s).
- 13.5. you draw conclusions about selected economic policy(s).
- 13.6. you outline a position concerning the selected economic policy(s).
- 13.7. you defend the position.

**Learning Objectives**

- 13.a. Explore the USA's current position in terms of economic stability.
- 13.b. Identify tools to measure the health of a market-based economy.
- 13.c. Identify sources of economic data.
- 13.d. Use economic data to evaluate current economic trends.
- 13.e. Investigate current events effecting our economy and globalization.
- 13.f. Develop pros and cons of economic environment to draw personal conclusions.