

ECO 110 Course Learning Objectives

Microeconomics and Public Policy

Markets and Efficiency

1. Illustrate how comparative advantage can create benefits from trade to all parties.
2. Demonstrate how prices function to allocate goods and services in response to changes in market conditions.
3. Analyze how price elasticity affects consumer and producer decisions.
4. Identify consumer, producer and societal welfare in the context of a supply-demand model.
5. Analyze how the concepts of implicit versus explicit costs and fixed versus variable costs apply to production decisions.
6. Apply marginal analysis to explain profit maximizing production decisions.

Market Failure and Inefficiency

7. Compare the efficiency of perfectly competitive markets to that in markets in which seller(s) have market power.
8. Compare the efficiency of markets with no externalities to those with externalities.

Government Policies

9. Evaluate how elasticity affects the impact of taxes and price controls.
10. Evaluate the impact of antitrust laws and price regulation in markets in which seller(s) have market power.
11. Analyze the impact and evaluate the efficiency of regulation, corrective taxes/subsidies and tradable permits to address externalities.

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