

Overview

This course introduces you to microeconomics, the field of economics that studies the decision-making behavior of consumers and firms when their choices are constrained by scarcity. This principle of constrained decision-making is a major building block of modern economics and is the central concept around which this course is built.

This course will help you understand decisions that are made in the face of constraints, such as the transactions you make every day in the marketplace. For example, consumers are constrained by the prices they face and their overall income when making a purchase. Business managers are constrained in their ability to sell a product by consumers' own preferences for it in addition to the presence of competing products.

About this course

The course is divided into four parts:

- In part I, you'll gain an understanding of how consumers make decisions on the types and quantities of goods to purchase.
- In part II, you'll learn how managers decide how much to produce, the price to set for their products, and the amounts and types of inputs to buy.
- In part III, the focus will be on the interaction between consumers and producers and the concepts of equilibrium and efficiency.
- The final part of this course focuses on market distortions that are introduced by governments, such as taxes and tariffs, or those that result from the nature of the products produced or consumed.

Required prior knowledge and skills

To be successful in this course, we recommend English language fluency, computer literacy, secondary school (high school) algebra, and basic mathematics concepts.

To be adequately prepared for this course, a recommended prerequisite course is MAT 117, MAT 170, or MAT 210. The prerequisite course should be taken first to ensure that the course credits will transfer to your institution, including ASU.

Learning Outcomes

By the end of this course you should be able to:

- Explain how consumers decide what products to purchase and how much to purchase.
- Explain how producers decide how much to produce, how many inputs to use and what price to charge for their products.
- Describe how the interaction of consumers and producers in competitive markets generates the market

price and the

quantity consumed and produced.

- Explain the concept of efficiency and describe how markets often lead to efficient outcomes.
- Explain how market distortions occur and their impact on the welfare of producers and consumers.

Additional Info

This course satisfies 3 credit hours toward the Social-Behavioral Sciences (SB) General Studies requirement at Arizona State University. It is strongly encouraged that you consult with your institution of choice to determine how these credits will be applied to their degree requirements prior to transferring the credit.

Creators



Dr. Jose Mendez



Dr. Cara McDaniel



Dr. Fernando Leiva Bertran

Each of your instructors for this course is a faculty member within the Department of Economics at Arizona State University. They bring a combined 61 years of experience teaching economics at various collegiate levels and universities, including Carlos III of Madrid, ITAM, Kenyon College, University of Georgia, and Georgetown University.

Each has recently taught microeconomics at the undergraduate level. Their research interests span the areas of Macroeconomics (McDaniel), Industrial Organization (Levia Bertran), and International Economics (Mendez).

