

Name of the course	Microeconomics
Course Code	112
Semester	II
Credit Hours	3
Prerequisite	-
Learning outcomes	Upon successful completion of the course, students will be able: <ol style="list-style-type: none">1. To interpret, apply and relate economic principles to current economic issues2. Explain and predict how supply and demand concept will affect prices in market economies3. Distinguish between the economic outcomes associated with perfect competition, monopolistic competition, oligopoly and monopoly

Contents	Unit-1	Basic Economic Concepts
	1.1	What is Microeconomic about?
	1.2	The scope and role of microeconomics?
	1.3	Normative and positive analysis
	1.4	Key assumptions underpinning standard microeconomic models - Scarcity, trade-offs, sunk costs and opportunity costs
	Unit-2	Utility theory
	2.1	Law of diminishing marginal utility
	2.2	Law of equi-marginal utility
	Unit-3	Demand and Supply
	3.1	Demand determinants of demand, law of demand, shifts and shift factors in demand
	3.2	Law of supply; shifts & shift factors in supply.
	3.3	Market equilibrium-surplus and shortage conditions
	3.4	Elasticity of Demand and Supply
	3.4.1	Elasticity of demand, Price, income and cross elasticity, Point and Arc Elasticity
	3.4.2	Measurement of elasticity of demand: Percentage, graphic and Total Outlay methods
	3.4.3	Elasticity of supply, Measurement & Determinants of elasticity of supply.
	Unit-4	Production and Cost
	4.1	Law of Variable Proportions
	4.2	Traditional theory of costs, average, marginal and total costs
	4.3	Long run average cost
	Unit-5	Markets, Efficiency and Welfare
	5.1	Perfect competition: Price and output determination in the short and long run
	5.2	Monopoly: Price and output determination in the short and long run, Price discrimination
	5.3	Monopolistic Competition: Price and output determination in the short and long run
5.4	Economics of public sectors	
5.5	Economic of labor markets	
5.6	Consumer Surplus and Producer Surplus	
5.7	Economic efficiency and deadweight loss	
5.8	The impact of: price ceilings; price floors; and government taxes and subsidies	
Unit-6	Analysis of Competitive Markets	
6.1	The costs of production in the short run and the long run	
6.2	Profit and entry and exit in a perfectly competitive market	
6.3	The “Invisible Hand” – perfect competition leads to economic efficiency	
6.4	Market Power: Monopoly and Monopsony	
6.5	Pricing with Market Power	
6.6	Monopolistic Competition and Oligopoly	

	<p>Unit-7 Markets and the role of Government</p> <p>7.1 The economic bases for government intervention: public goods, externalities</p> <p>7.2 The welfare implications of different market structures</p> <p>7.3 Asymmetric information & game theory</p> <p>7.4 Market failure vs. government failure</p>
Teaching & Learning Strategies	A combination of lecturing, computer lab, presentations, and discussions will be used to conduct the course. Students will be expected to read extensively ahead of each class session and actively participate in discussions and practical work.
Assignment	Written assignment (10 marks), presentation (5 marks) and Quiz (10 marks)
Suggested Readings	<p>Gans, J., King, S., Byford, M., & Mankiw, N. G. (2018). <i>Principles of Microeconomics: Australia and New Zealand Edition</i>. Cengage</p> <p>McConnell, C. R., Brue, S. L., & Flynn, S. M. (2018). <i>Economics: principles, problems, and policies</i> (21th ed.). McGraw-Hill.</p> <p>Pindyck, R. S., Rubinfeld, D. L. (2017) <i>Microeconomics</i> (8th ed.). Prentice Hall.</p> <p>Varian, H. R. (2014). <i>Intermediate microeconomics: A modern approach</i>. WW Norton & Company.</p>

Assessment and Examinations

Sr. #	Elements	Weightage	Details
1	Midterm Assessment	35%	Written test (at the mid-point of the semester)
2	Formative Assessment	25%	Assignment, presentation and quiz
3	Final Assessment	40%	Written test (at the end of the semester)