



Course Outline

Program	BBIT	Course Code	ECN 111	Credit Hours	3
Course Title	Microeconomic Theory				
Course Introduction					
<p>Introduction to Microeconomics is an introductory level course covering the principles of production and consumption - and the exchange of goods and service - in a market economy. The decisions of various economic agents will be analyzed in terms of the individual interests of these agents, and also in terms of the societal impact these decisions might have. The course has been developed such that it yields insights into the logic of managerial decision-making, and rationale for the various restrictions imposed upon private sector activities by different levels of government.</p>					
Learning Outcomes					
<p>Upon successful completion of the course, students will be able:</p> <ul style="list-style-type: none"> • To interpret, apply and relate economic principles to current economic issues • Explain and predict how supply and demand concept will affect prices in market economies • Distinguish between the economic outcomes associated with perfect competition, monopolistic competition, oligopoly and monopoly 					
Course Content					Assignments/Readings
Week 01	Unit-1 Basic Economic Concepts <ul style="list-style-type: none"> • What is Microeconomic about? • The scope and role of microeconomics? • Normative and positive analysis • Key assumptions underpinning standard microeconomic models • Scarcity, trade-offs, sunk costs and opportunity costs 				
Week 02	Unit-2 Utility theory <ul style="list-style-type: none"> • Law of diminishing marginal utility • Law of equi-marginal utility 				
Week 03	Unit-3 Demand and Supply <ul style="list-style-type: none"> • Demand determinants of demand, law of demand, shifts and shift factors in demand • Law of supply; shifts & shift factors in supply. • Market equilibrium-surplus and shortage conditions • Elasticity of Demand and Supply 				
Week 04	Unit-3 Demand and Supply <ul style="list-style-type: none"> • Elasticity of demand, Price, income and cross elasticity, Point and Arc Elasticity • Measurement of elasticity of demand: Percentage, graphic and Total Outlay methods • Elasticity of supply, Measurement & Determinants of elasticity of supply. 				
Week 05	Unit-4 Production and Cost <ul style="list-style-type: none"> • Law of Variable Proportions • Long run average cost 				

Week 06	Unit-4 Production and Cost <ul style="list-style-type: none"> Traditional theory of costs, average, marginal and total costs Long run average cost 	
Week 07	Unit-5 Markets, Efficiency and Welfare <ul style="list-style-type: none"> Perfect competition: Price and output determination in the short and long run 	
Week 08	Unit-5 Markets, Efficiency and Welfare <ul style="list-style-type: none"> Monopoly: Price and output determination in the short and long run, Price discrimination 	
Week 09	Mid Term Examination	
Week 10	Unit-5 Markets, Efficiency and Welfare <ul style="list-style-type: none"> Monopolistic Competition: Price and output determination in the short and long run. 	
Week 11	Unit-5 Markets, Efficiency and Welfare <ul style="list-style-type: none"> Economics of public sectors Economic of labor markets Consumer Surplus and Producer Surplus Economic efficiency and deadweight loss The impact of: price ceilings; price floors; and government taxes and subsidies 	
Week 12	Unit-6 Analysis of Competitive Markets <ul style="list-style-type: none"> The costs of production in the short run and the long run Profit and entry and exit in a perfectly competitive market The “Invisible Hand” – perfect competition leads to economic efficiency 	
Week 13	Unit-6 Analysis of Competitive Markets <ul style="list-style-type: none"> Market Power: Monopoly and Monopsony Pricing with Market Power Monopolistic Competition and Oligopoly 	
Week 14	Unit-7 Markets and the role of Government <ul style="list-style-type: none"> Asymmetric information & game theory Market failure vs. government failure 	
Week 15	Unit-7 Markets and the role of Government <ul style="list-style-type: none"> The economic bases for government intervention: public goods, externalities The welfare implications of different market structures 	
Week 16	Presentations	
Week 17	Revision	
Week 18	Final Term Examination	

Textbooks and Reading Material*

Textbooks.

- Gans, J., King, S., Byford, M., & Mankiw, N. G. (2018). *Principles of Microeconomics: Australia and New Zealand Edition*. Cengage
- McConnell, C. R., Brue, S. L., & Flynn, S. M. (2018). *Economics: principles, problems, and policies* (21th ed.). McGraw-Hill.

Teaching Learning Strategies

This course makes use of interactive teaching and learning strategies which engage students to promote critical and reflective thinking, research and evaluation skills that will help them become better learners and enhance their skill set. Students will use personal and social capability to collaboratively work with others in learning activities, appreciate their own strengths and abilities and those of their peers, enabling them to develop a range of interpersonal skills such as communication, negotiation, teamwork, leadership and an appreciation of diverse perspectives.
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Assignments: Types and Number with Calendar
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Will be decided by the course instructor
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