



B.Ed(4 Years) Elementary Education

Code	Subject Title	Cr. Hrs	Semester
EDE- 152	Economics II (Micro Economics)	3	
Year	Discipline		
	Elementary Education		

Aims

This course acts as a foundation for the following semesters. The course aims to help the students increase their proficiency in Economics by enhancing their resources to deal with communicative needs of everyday life at home, at work, and in social interaction

Objectives

Upon the successful completion of this course the students will be able to:

- Understand and explain the foundations of Economics.
- Explain the Importance of Micro Economics
- Describe the Consumer Behavior
- Apply the knowledge of Production Costs and Revenues
- Apply their knowledge in different situations.
- Develop a sense of understanding the trends and issues of Economics

Syllabus

Micro Economics

1. The Nature and Importance of Micro Economics:

Basic problems of Micro- Economics theory. The Determination of output composition. The allocation of resources. The Distribution of the product and the Maintenance and expansion to the productive capacity of the economy. Market economy and the treatment of basic economic problem. The relative importance of Market Mechanism in Capitalism, Socialism and Islamic Economics System.

2. The Theory of Consumer Behaviour:

The Utility, Theory of Consumer Behaviours. Indifference Curves Analysis. Indifference Curves and Marginal rate of Substitution, Consumer Equilibrium, Income, Substitution and Price effect of a Normal, Inferior and Giffen Good, Derivation of Demand Curve from price Consumption curve, Revenue Preference Theory. Price Income and Cross Elasticities of Demand and their Measurement.

3. The Theory of Production Costs and Revenues:

The concept of production function Iso-quant and Iso Cost Curves. Marginal rate of Technical Substitution. Optimal combination of Resources. The costs and revenues of a firm.

4. The Theory of Firm Behaviour and Market Organization:

i. Perfect competition

Assumptions of perfect competition. Equilibrium of a firm and industry during short and long periods. Short and long period supply curve of a firm and industry.

ii. Monopoly:

The nature and extent of Monopoly. Short run and long run equilibrium under pure monopoly. Dumping and price discrimination. Welfare of Monopolies.

iii. Imperfect competition

Monopolistic compositions and its main characteristics. Short run and long run Equilibrium under monopolistic Competitions. Pricing and output determination under oligopoly. Price leadership and cartels. Inefficiencies due to imperfect competition .

5. Pricing and Employment Resources:

The marginal productivity theory of resource pricing. The Modern theory of Resources pricing and unemployment. The input demand curve of a firm with one variable resource. The demand curve of a firm with several variable resources. The market demand curve. The supply curve of resources. Resources pricing under perfect competition, monopoly and monopsony.

Text Books/ Reference Material

- Chiang, A. C., & Wainwright, K. (2005). *Fundamental Methods of Mathematical Economics*: McGraw-Hill.
- Rader, T. (2014). *Theory of Microeconomics*: Elsevier Science.
- Sen, A. (2000). Microeconomics: theory and applications. *OUP Catalogue*.
- A Hamid Shahid Text Book for B.A Part I,II, Ilmi Publishers, Lahore.
- Abdul Ghani Ch. Rehbar-e-Muashiat. Qurashi Publisher, Lahore.
- Muhammad Hussain Ch. Dr. Nazriat-e-Muashiat.