



FORMAN CHRISTIAN COLLEGE

Course Name: Principles of Microeconomics

Course Code: ECON-101 Section A

Course Type (major)

Course Credits: 3

Room No: E-205

**Class timings: 9 am to 9:50 am
M/W/F**

**Student Meeting Hours/ Office Hours:
M/W/F 11 AM to 12 PM**

Instructor Name: Zafar Manzoor

Instructor Contact Details

Email: zafarmanzoor@fccollege.edu.pk

Mobile: +923346931187

Office Hours: M/W/F 11am to 12 pm

Course Description:

This course is designed to aid students in learning the basic principles of microeconomics. It aims to develop the understanding of the fundamentals of microeconomic principles while encouraging students intending to opt for economics as a major and are interested in the analysis of various economic phenomena. Principles of microeconomics are applied in decision making by consumers (to maximize utility), businesses (to maximize profits) and producers (to use the available resources optimally and efficiently with minimum cost). So, the topics covered in this course include supply and demand, consumer behavior, theory of cost and production, theory of the firm under perfect competition and imperfect competition, factor markets and market failure.

Main Mode of Instruction: (*Class lectures, Moodle, Zoom and MS teams and WhatsApp.*)

Technology Requirements Have internet excess and should be familiar with Moodle, Zoom and MS teams.

COURSE OBJECTIVES

This course aims to

- Describe the behavior of buyers and sellers in the market
- Develop the understanding of consumer and producer behavior
- Calculate the role of elasticities in the determination of price and quantity
- Compare various market structures in the light of microeconomic principles
- Differentiate between short-run and long-run cost of production
- Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures

LEARNING OUTCOMES

After the successful completion of the course, the students will be able to:

- Apply the concepts of demand and supply and their elasticities under microeconomic principles.
- Demonstrate the concept of indifference curves, marginal rate of substitution and budget constraints.
- Differentiate between the concept of income, price and substitution effects.
- Differentiate between average and marginal products, cost curves and various types of returns to scale.
- Analyse the law of diminishing marginal returns, isoquants, and isocost line.
- Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, and oligopoly.

Apply the concept of price discrimination and the role of elasticities in price discrimination.

COURSE MATERIAL

Pindyck, Robert S. and Rubinfeld, Daniel L. (2018) *Microeconomics*, 9th Edition, Pearson Education, Inc.

Supplementary Book:

Mankiw, Gregory, N. (2018) *Principles of Microeconomics*, Cengage Learning.

GRADING BREAKUP

Quizzes**	20%
Assignments	15%
Class Activity/Homework	5 %
Midterm	30%
Final	30%

There will be no MAKEUP assessments.

Course Requirements & Important things to know:

- Students are required to watch/listen to online lectures and do relevant readings. They are also required to watch online videos as instructed.
 - **Due Dates:**
 - All assignments are to be submitted on the due date.
 - Late activities will not be graded, unless previous accommodations have been made. In case of any other limitations (internet), inform prior to the deadline.
 - **Academic Honesty:**
 - All work that you submit in this course must be your own.
 - Unauthorized group efforts are considered academic dishonesty.
 - You may discuss homework (Assignments) in a general way with others, but you may not consult anyone else's written work.
 - You are guilty of academic dishonesty if you examine another's solution, allow (actively or passively) another student to examine your solution, or you copy from the Internet without complete understanding of what you have done. University policy of plagiarism will be applicable in the case.

All cases no matter how trivial they are will be reported to Academic Integrity Committee (AIC) of FCCU. Cheating or violation of academic integrity in any exam will cause F grade.

Student Conduct & Other Issues:

- Students are expected to attend class regularly.
- Be up to date with their readings.
- Be prepared to participate in class discussions.
- No alternative exam or quiz shall be undertaken if a student missed an exam or quiz.
- Assignments will not be collected after the due date.

- Students must turn their cell phones off in the class.

Please ask questions in class or during office hours if you have any problem. Do not wait until just before an exam to ask questions. If you need extra time than the class or office hours than schedule an appointment

Changes to the Syllabus:

This syllabus was designed to convey course information and requirements as accurately as possible. It is important to note however that it **may** be subject to change during the course depending on the needs of the class and other situational factors. Such changes would be for your benefit and you will be notified of them as soon as possible.

Assessment:

- **Quizzes:**
- After every three week, there will be a quiz of the three weeks lectures covered in class.
- Quizzes and tests (not practice questions) have a set time limit. Once you begin a test or quiz, you must finish it within the time limit shown. Once time expires, you will not be able to continue. It is essential that due dates and time limits be observed. Once time expired, you will not be able to complete an assignment and a grade cannot be assigned. There will be no substitute or additional credit assignments offered during or at the conclusion of the course.
- **Assignments:**
- There will be a total of three assignments. Students will be notified about it on Moodle/email and will be required to submit them by the deadline.
- **Attendance:**
- As per FCCU students book.

Grading Legend

Below is the grading legend of FCCU (published in all catalogues and available on the FCCU website) as approved by the Academic Council and applies for spring 2023 as well

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Grade	Point Value	Numerical Value	Meaning
A	4.00	93-100	Superior
A-	3.70	90-92	
B+	3.30	87-89	Good
B	3.00	83-86	
B-	2.70	80-82	
C+	2.30	77-79	Satisfactory
C	2.00	73-76	

C-	1.70	70-72	Passing
D+	1.30	67-69	
D	1.00	60-66	
F	0.00	59 or below	Failing

WK	Course Objectives	Topics	Instructional Material	Assessment & Rubrics	Teaching Learning Activities
1	1. Describe the behavior of buyers and sellers in the market 2. Apply the concepts of demand and supply and their elasticities under microeconomic principles	Introduction: Introduction and rapport building Theme of microeconomics Some basics concepts, and terminologies used in microeconomics	reading topics from chapter 1 of the recommended book	Assignment 1 should be submitted in end of third week	Lecture/ class activity/Group discussion
2	1. Describe the behavior of buyers and sellers in the market 2. Develop the understanding of consumer and producer behavior 3. Demonstrate the concept of indifference curves, marginal rate of substitution and budget constraints. Differentiate between the concept of income, price and substitution effects	Demand and supply: Supply and demand Market mechanism Changes in market equilibrium and its impact on equilibrium price and quantity determination	reading topics from chapter 2 of the recommended book	Class activity 1	Lecture/ class activity/Group discussion
3	1. Describe the behavior of buyers and sellers in the market 2. Develop the understanding of consumer and producer behavior 3. Demonstrate the concept of indifference curves, marginal rate of substitution and budget constraints. Differentiate between the concept of income, price and substitution	Individual and market demand; Demand and supply: Revision Derivation of individual and market demand curves Elasticities of demand and supply Point versus arc elasticity	reading topics from chapter 2 and chapter 4 of the recommended book	Assignment 1 should be submitted in end of third week	Lecture/ class activity/Group discussion

	4. Calculate the role of elasticities in the determination of price and quantity				
4	<p>1. Describe the behavior of buyers and sellers in the market</p> <p>2. Develop the understanding of consumer and producer behavior</p> <p>3. Demonstrate the concept of indifference curves, marginal rate of substitution and budget constraints.</p> <p>Differentiate between the concept of income, price and substitution</p> <p>4. Calculate the role of elasticities in the determination of price and quantity</p>	<p>Demand and supply;</p> <p>Consumer Behavior:</p> <p>Short-run versus long-run price elasticities</p> <p>Role of price elasticity in decision making, Effects of government intervention over price controls</p> <p>Introduction to consumer theory</p>	reading topics from chapter 2 and chapter 3 of the recommended book	Assignment 2 should be submitted in end of 7 th	Lecture/ class activity/Group discussion
5	<p>1. Describe the behavior of buyers and sellers in the market</p> <p>2. Develop the understanding of consumer and producer behavior</p> <p>3. Demonstrate the concept of indifference curves, marginal rate of substitution and budget constraints.</p> <p>Differentiate between the concept of income, price and substitution</p>	<p>Consumer Behavior:</p> <p>Revision</p> <p>Consumer preferences</p> <p>Budget constraints</p>	reading topics from chapter 3 of the recommended book	Quiz-1	Lecture/ class activity/Group discussion
6	<p>1. Describe the behavior of buyers and sellers in the market</p> <p>2. Develop the understanding of consumer and producer behavior</p>	<p>Consumer Behavior;</p> <p>Individual and market demand:</p> <p>consumer choices</p> <p>Price consumption curve,</p> <p>Income consumption curve</p> <p>Price effect, Income effect, Substitution effect</p>	reading topics from Chapter 3 and chapter 4 of the recommended book	Homework-1	Lecture/ class activity/Group discussion
7	1 Differentiate between short-run and long-run cost of production	<p>Production:</p> <p>Revision</p> <p>Production function, production in the short and long run</p> <p>Production with one variable</p>	reading topics from chapter 6 of the recommended book	Assignment 2 should be submitted in end of 7 th	Lecture/ class activity/Group discussion

		Production with two variables, Returns to scale			
8	1 Differentiate between short-run and long-run cost of production	Cost: Basic definitions and various types of cost Cost in short run Cost in the long run	reading topics from chapter 7 of the recommended book	Class Activity-2	Lecture/ class activity/Group discussion
MID TERM EXAM					
9	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Profit maximization and perfect competition: Revision Conditions for perfect competition, Firm's revenues under perfect competition Conditions for firm's profit maximization, Firm's profit in short and long run under perfect competition	reading topics from chapter 8 of the recommended book	Assignment 3 should be submitted in end of 15 th week	Lecture/ class activity/Group discussion
10.	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Profit maximization and perfect competition: Derivation of firm's supply curves under short run, firm's response to an input price change Industry's long run supply curve Effect of an output tax on a competitive firm's output and industry output	reading topics from chapter 8 of the recommended book	Homework-2	Lecture/ class activity/Group discussion
11	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in	The analysis of competitive markets: Revision Evaluating gains and loss from government policies Impact of import quotas and tariff Impact of subsidies and taxes	reading topics from chapter 9 of the recommended book	Class activity 2	Lecture/ class activity/Group discussion

	price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures				
12	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Imperfect Markets: Monopoly and monopsony: Definition, Sources of monopoly Monopolist's revenue curves, Monopolistic firm's equilibrium Bilateral monopoly	reading topics from chapter 10 of the recommended book	Quiz-2	Lecture/ class activity/Group discussion
13	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Pricing with market power: Revision First degree price discrimination Second degree price discrimination Third degree price discrimination	reading topics from chapter 11 of the recommended book	Home-3	Lecture/ class activity/Group discussion
14	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing,	Imperfect Markets: Monopolistic competition under short run Monopolistic competition under long run Oligopoly	reading topics from chapter 12 of the recommended book	Class activity-3	Lecture/ class activity/Group discussion

	and output determination under perfect and imperfect market structures				
15	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Imperfect Markets: Monopolistic competition under short run Monopolistic competition under long run Oligopoly	reading topics from chapter 12 of the recommended book	Assignment 3 should be submitted in end of 15 th week	Lecture/ class activity/Group discussion
16	1. Demonstrate how firms maximize their profits and revenues in the short and long run under perfect competition, monopoly, monopolistic competition, oligopoly and Apply the concept of price discrimination and the role of elasticities in price discrimination 2. Evaluate the decision-making process, pricing, and output determination under perfect and imperfect market structures	Revision	Ch.10,11,12	Quiz-3	Lecture/ class activity/Group discussion