Course title: Introduction to Economics A- Microeconomics

Code: 2-229751-0

**Instructor:** Dr. Rami Saad

**Credit hours:** 2

**Year:** 1; **Semester:** A

**Academic year**: 2021-22

**Course objectives:**

The main purpose of a microeconomics course is to gain a better understanding of demand and supply that causes prices to enter equilibrium. At the end of this course, the student should be able to understand and apply basic economic concepts and tools for analyzing corporate and household decisions.

**Intended learning outcomes:**

By the end of the course students will have the following abilities:

1. Students will be able to explain the concepts of opportunity cost, trade-offs, and the benefits of exchange.

2. Students will be able to demonstrate knowledge of the laws of supply and demand and equilibrium; and apply the supply and demand model to analyze responses of markets to external events.

3. By the end of the course, students will be able to apply supply and demand analysis to examine the impact of government regulation.

4. By the end of the course, students will be able to demonstrate an understanding of producer choice, including cost and break-even analysis.

**Schedule of lessons:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Lesson #** | **Topic** | **Details** | **Relevant reading assignments** |
| 1 | The Scope and Method of  Economics | Why Study Economics? | **Chapter 1** |
| 2 | The Economic Problem:  Scarcity and Choice | Scarcity, Choice, and Opportunity Cost | **Chapter 2** |
| 3 | The Economic Problem:  Scarcity and Choice | Economic Systems and the Role of Government | **Chapter 2** |
| 4 | Demand, Supply, and Market Equilibrium | Firms and Households: The Basic Decision-Making Units.  Input Markets and Output Markets: The Circular Flow | **Chapter 3** |
| 5 | Demand, Supply, and Market Equilibrium | Demand in Product/Output Markets.  Supply in Product/Output Markets | **Chapter 3** |
| 6 | Demand, Supply, and Market Equilibrium | Market Equilibrium | **Chapter 3** |
| 7 | Demand and Supply  Applications | The Price System: Rationing and Allocating  Resources.  Supply and Demand Analysis: Tariffs.  Supply and Demand and Market Efficiency. | **Chapter 4** |
| 8 | Elasticity | Price Elasticity of Demand.  Calculating Elasticities.  The Determinants of Demand Elasticity. | **Chapter 5** |
| 9 | Household Behavior  and Consumer  Choice | Household Choice in Output Markets.  The Basis of Choice: Utility. | **Chapter 6** |
| 10 | Household Behavior  and Consumer  Choice | Income and Substitution Effects.  Household Choice in Input Markets. | **Chapter 6** |
| 11 | The Production:  Process: The  Behavior of  Profit-Maximizing  Firms | The Behavior of Profit-Maximizing Firms | **Chapter 7** |
| 12 | The Production:  Process: The  Behavior of  Profit-Maximizing  Firms | The Production Process | **Chapter 7** |
| 13 | The Production:  Process: The  Behavior of  Profit-Maximizing  Firms | Choice of Technology | **Chapter 7** |

**Grading scale:**

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| --- | --- |
| **Assignment** | **Percentage of final grade** |
| Exam | 100% |
| **Total** | **100%** |

**Bibliography:**

**Main bibliography:**

Karl E. Case, Ray C. Fair, Sharon M. Oster (2020). Principles of Microeconomics: Global Edition. 13th Edition. Pearson.

**Secondary Bibliography:**

The CORE Team (2019). The Economy. Available at: http://www.core-econ.org.