# KU1DSCSSE101: INTRODUCTORY MICROECONOMICS

Semester	Course Type	Course Level	Course Code	Credits	Total Hours
I	DSC-Major	100-199	KU1DSCSSE101	4	60

Learning Approach (Hours/ Week)			Mar	Duration of		
Lecture	Practical/ Internship	Tutorial	CE	ESE	Total	ESE (Hours)
4	0	0	30	70	100	2

### **Course Description:**

This course sets foundation for studying the intermediate micro economics and advanced micro economics in the forthcoming semesters. The course enables the students to get grip in the microeconomic theory via making the conceptual foundations clear. The course starts with an introduction to microeconomic analysis exploring the basic concepts for better understanding of more advanced theories and moves on to concepts of demand and supply and provides foundations for consumer behaviour analysis at the intermediate level. Foundations of production, cost and revenue analysis are followed in the subsequent module and ends with concepts in factor market and welfare analysis. In brief the course widens the conceptual tool box of an undergraduate student of economics so as to better experience more advanced learning of microeconomics in the forthcoming semesters.

Course Prerequisite: NIL

#### **Course Outcomes:**

CO No.	Expected Outcome	Learning Domains
1	Learn the foundational concepts in microeconomics like trade-offs and opportunity cost, nominal and real prices and the so forth for better theoretical understanding	R, U
2	Understand the basic concepts of demand and supply for analysing market dynamics	R, U
3	Understand the basic concepts of production, cost and revenue for learning the subject in the subsequent semesters	R, U

4	Learn the concepts for analysis factor markets and welfare related concepts for better learning microeconomics at the intermediate and advanced levels	R, U
5	Extend the foundational theoretical tool box of microeconomics for subsequent learning at the intermediate and advance levels	R, U

\*Remember (R), Understand (U), Apply (A), Analyse (An), Evaluate (E), Create (C)

## Mapping of Course Outcomes to PSOs

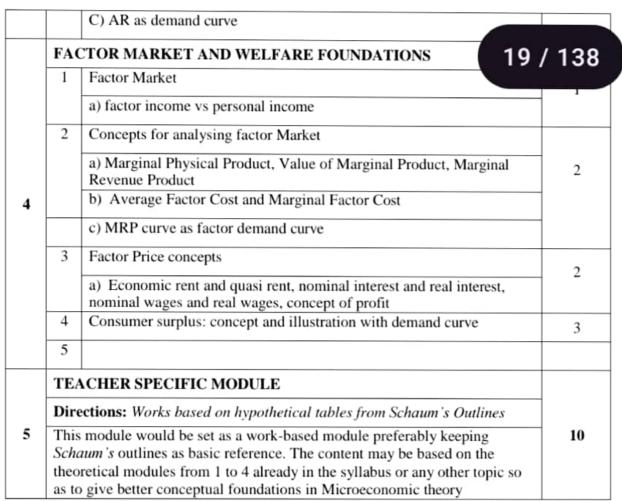
-	PSO 1	PSO 2	PSO 3	PSO 4	PSO 5	PSO 6	PSO 7
CO 1	✓						
CO 2	✓		<b>✓</b>				
CO 3	<b>✓</b>		✓				
CO 4	✓		<b>✓</b>				
CO 5	✓						

#### COURSE CONTENTS

#### **Contents for Classroom Transaction:**

M O D U L E	U N I T	DESCRIPTION	HOURS 60
	INT	RODUCTION TO MICROECONOMICS	10
	-1	Why study Microeconomics?	1
	2	Trinity problems of economic organization  a) What, how and for whom to produce?	2
1	3	The themes of Microeconomics  a) Trade-offs and opportunity cost with Production Possibility Curve  b) Prices and markets  c) Theories and models	3
	4	Positive and normative analysis	2
	5	Competitive and non-competitive markets	2
	BAS	SICS OF DEMAND AND SUPPLY	15
2	1	Demand law	4

		a) Demand schedule and demand curve	
		b) Forces behind the downward sloping demand curve	
		c) From individual to market demand curve	
		d) Inverse demand function	
	2	Movement along the demand curve and shift in demand curve	1
	3	Supply law	
		a) Supply schedule and supply curve	3
		b) Forces behind the upward sloping supply curve	
	4	Market equilibrium mechanism	
		a) Changes in market equilibrium	2
	5	Elasticity of demand and supply	
		a) Price, income and cross elasticity	
		b) Degrees of price elasticity	4
		c) Point vs arc elasticity	
		d) Elasticity of supply – degrees of supply elasticities	
	6	Effects of government intervention on market – price controls and price support	1
	FOU	UNDATIONS OF PRODUCTION, COST AND REVENUE	15
	1	Production function	2
		a) Total, Marginal and Average Product	3
	2	Concepts of cost	
		a) Fixed, variable and total cost	
		b) Average and marginal cost: relationship between average and marginal cost	6
3		c) Average Fixed Cost and Average Variable Cost	
		d) Fixed cost vs sunk cost	
		e) Economic cost vs accounting cost	
	3	Link between production and cost – increasing marginal product and decreasing marginal cost	2
	4	Revenue concepts	
		a) Total, Average and Marginal Revenue	4
1			



#### **Essential Readings:**

- 1. Pindyck R. S., Rubinfeld, D. L., & Mehtha P L. Microeconomics. Pearson Education. Latest Edition
- 2. Samuelson, P. A and Nordhaus, W. D (2010) Microeconomics, Nineteenth Edition, McGraw Hills Irwin
- 3. Salvatore, D. Schaum's Outlines, Basic Microeconomics, McGraw Hill Publications, Latest Edition

#### Reference Distribution:

Modul e	Uni t	Reference No.	Remarks
	1	Essential Readings 1	-0
1	2	Essential Readings 2	-0
	1	Essential Readings 1	
4	2	Essential Readings 2	-1

Page | 8



	3	Essential Readings 3	-
	1	Essential Readings 1	-
3	2	Essential Readings 2	-
	3	Essential Readings 3	-
	1	Essential Readings 1	-
4	2	Essential Readings 2	-
5	-	Essential Readings 3	Preferably

# **Suggested Readings:**

- 1. Mankiw. G, Principles of Microeconomics, Cengage-MindTap, Latest Edition
- 2. Salvatore. D, Principles of Microeconomics, Oxford International, Latest Edition

#### **Assessment Rubrics:**

E	valuation Type	Marks	
End Sen	70		
Continuo	30		
a)	Test Paper- 1	10	
b)	Test Paper-2	10	
c)	Assignment	5	
d)	Seminar	5	
e)	Book/ Article Review	-	
f)	Viva-Voce	-	
g)	-		
	Total	100	