**Debre Markos University Burie Campus**

**College of Business & Economics**

**Department of Economics**

**Course outline**

**Course Name:** Microeconomics-I

**Course code: Econ1161 Target group: Extension 2nd year Management student**

**Cr Hrs: 2 Instructor:** Belete A**.**

**ECTS: 3 Address: e-mail: beleteanimaw@gmail.com**

**Course delivery:** semester based

***Contents***

|  |  |
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| Course contents | References |
| Chapter One: Theory of Consumer Behavior and Demand |
| 1. Consumer Preferences and Choices
	1. Consumer Preference
	2. Utility
2. Approaches to measure Utility
	1. The Cardinal Utility approach
		1. Assumptions of Cardinal Utility theory
	2. The Ordinal Utility Approach
	3. The Budget Line or the Price line
		1. Effects of changes in income
		2. Effects of Changes in Price
	4. Optimum of the Consumer
	5. Elasticity of demand
 | * A.Koutsoyia nnis, PP 13-60.
* H.S. Agrawal, PP 97-26
 |
| Chapter Two: Choice –involving risk and uncertainty |
| * 1. Introduction
	2. Describing risk and uncertainty
	3. Attitude towards risk
	4. Reducing risk
 | * Hal R. Varian
* R.S. Pindyck and D.L. Rubinfel
 |
| Chapter Three: The Theory of Production |
| * 1. Introduction: Definition and Basic concepts
	2. Production in the short run: production with one variable input
	3. Total product, marginal product and average product
	4. Efficient Region of production in the short run
	5. Long run production: production with two variable inputs
	6. Efficient Region of production: long run
	7. Laws of returns to scale: long run analysis of production
	8. Product lines
	9. Graphical presentation of returns to scale for homogenous production function
	10. Technological process and production function
	11. Equilibrium of the firm: choice of optimal combination of factors of production
 | * A.Koutsoyia nnis, PP 67-92
* H.S. Agrawal , PP 279-292
 |
| Chapter Four: Theory of Costs of Production |
| 4.1 Basic concepts of the Theory of costs4.2 Short Run Costs4.3 Long Run Costs4.4 Derivation of cost function from production function4.5 Dynamic changes in costs: the learning curve | * A.Koutsoyia nnis, PP. 105-120
* H.S.Agrawal , PP 359-368
 |
| Chapter Five: Perfect Competition Market |
| * 1. Characteristics of pure and perfect competition
	2. The short run equilibrium of the firm and industry
	3. Short run market/industry equilibrium
	4. The long run equilibrium of the firm and industry
 | * A.Koutsoyia nnis, PP 154-163
 |

 **Course Delivery Methods**

The delivery method shall be student-centered. Students are highly expected to participate in class works at the middle and end of each session and in group discussions inside and outside of the class. Specifically the course will be delivered through the following methods:

* Lecture Method
* In-class problem solving
* Group Work
* Assignment

**Assessment Methods**

Student evaluation in this module consist both formative and summative assessments including quizzes, test and final exam. Marks will be allocated according to the following grading schedule.

|  |  |
| --- | --- |
| **Assessment method** | **Weight**  |
|  Assignment (Indiv/group) | 20% |
|  Quizzes/Tests**(Max of 10 % each)**  | 30% |
|  Final Exam | 50 %  |
|  **Total**  | 100% |

Course Policy

* Late coming is not allowed and no student is allowed to enter after class has started.
* Duplication of assignments is strictly forbidden; it entails serious penalty.
* Assignments are required to be submitted before or on the deadline.
* Cheating during exam sessions results in a minimum of “F “grade while cheating in quizzes and tests is subjected to a zero mark. All cheating cases will be reported to the department for further considerations.
* Students should switch off their cell phones while they are in class and must keep their cell phones switched off during all kinds of exam sessions.
* students must attend 80% of the class for the course. Failure to attend 80% of the class will not allow the student to sit for the final exam.
* Missing a quiz without convincing evidences will earn the students a grade of zero marks in that specific quiz

REFRENCES

1. A. Koutsoyiannis, Modern Microeconomics

2. H.S. Agrawal, Principles of Economics, 7th edition.

3. Hal R. Varian, Intermediate Microeconomics: A Modern Approach, Forth Edition

4. C. Ferguson, Microeconomic Theory

5. R.S Pindyck and D.L.Rubinifeld, Microeconomics

6. E. Mansfield, Microeconomics: Theory and Applications

7. Robert H. Frank, Microeconomics and Behavior

\* Any other Intermediate Microeconomics text book can also be used as a supplementary reading material