

1.	Course Title	Principles of Microeconomics		
2.	Course Code	BECO2033		
3.	Status	Faculty		
4.	Credit Hour	3 (2+1) 2 for lecture (2 hours per week x 14 weeks) 1 for tutorial (1.5 hours per week x 14 weeks)		
5.	Semester/Year	2/2		
6.	Prerequisites	Nil		
7.	Teaching method:	Distance Learning (Electronics)		
8.	Evaluation	Assessment and Marking Percentage: Quizzes 10 % Assignments 10 % Interactions through discussion board 10 % Mid-Semester Exam 20 % Final Examination 50 %		
9.	Lecturer	N/A		
10.	Objective of the Subject	This subject is designed to enable students to: <ul style="list-style-type: none"> Understand the fundamental microeconomics principles and concept. Apply fundamental principles and concepts on microeconomics problems. Analyze simple microeconomics issues. Incorporate their religious faith into the learning process. 		
11.	Learning Outcomes	Upon completion of this subject, students should be able to: <ul style="list-style-type: none"> Explain the microeconomics principles and concepts. Distinguish between the Islamic economics principles and conventional economics principles. Use microeconomics principles and concepts in analyzing economics issues. 		
12.	Synopsis	This subject discusses the fundamental principles governing the behavior of economic agents and their application in analyzing economic issues.		
13.	Topics	Details	Lecture (Hrs)	Tutorial (Hrs)
	Topic 1	Introduction to economics <ul style="list-style-type: none"> Definition of economics Basic economic concepts Production possibility curve Basic economic problems The economic systems Different economic systems (Conventional and Islamic Perspectives) 	2	0
	Topic 2	Demand Theory <ul style="list-style-type: none"> Demand Theory <ul style="list-style-type: none"> The Law of Demand Determinants of Demand Changes in quantity demanded and changes in demand The exceptional demand curve Demand from Islamic Perspective 	2	1.5
	Topic 3	Supply Theory <ul style="list-style-type: none"> Supply Theory <ul style="list-style-type: none"> The Law of Supply Determinants of Supply Changes in quantity supplied and changes in supply The exceptional supply curve Supply from Islamic Perspective 	2	1.5

	Topic 4	Elasticity of Demand and Supply <ul style="list-style-type: none"> Elasticity of demand <ul style="list-style-type: none"> Price elasticity of demand Cross elasticity of demand Income elasticity of demand The importance of price elasticity of demand to a manager Elasticity of Supply <ul style="list-style-type: none"> Price elasticity of supply 	2	1.5
	Topic 5	Consumer Behavior <ul style="list-style-type: none"> Cardinal utility theory <ul style="list-style-type: none"> The relationship between quantity demanded, total utility and marginal utility The law of diminishing marginal utility Consumer equilibrium under cardinal utility theory 	2	1.5
	Topic 6	Consumer Behavior <ul style="list-style-type: none"> Ordinal utility theory <ul style="list-style-type: none"> The indifference curve The budget line Consumer equilibrium under ordinal utility theory Total effects (substitution and income effects) on the price and quantity of normal, inferior and giffen goods 	2	1.5
	Topic 7	Market Equilibrium <ul style="list-style-type: none"> Determination of market equilibrium under free market economy system Changes in market equilibrium Price control in Islam 	2	1.5
	Topic 8	Market Equilibrium <ul style="list-style-type: none"> Application of demand and supply analysis <ul style="list-style-type: none"> Agricultural versus manufactured goods and services The effects of indirect taxes on the price and quantity of goods and services The effects of subsidies on the price and quantity of goods and services Price control 	2	1.5
	Topic 9	Market Equilibrium <ul style="list-style-type: none"> Types of demand <ul style="list-style-type: none"> Joint demand Competitive demand Derived demand Composite demand Types of supply <ul style="list-style-type: none"> Joint supply Competitive supply 	2	1.5
	Topic 10	Production and Cost Theory <ul style="list-style-type: none"> Production Theory <ul style="list-style-type: none"> The short run theory of production Production function The relationship between total product, average product and marginal product The law of diminishing marginal product Cost Theory <ul style="list-style-type: none"> Explicit and implicit costs (economic and accounting profits) Costs in the short run The short run average cost curve Costs in the long run 	2	1.5

		<ul style="list-style-type: none">▪ The long run average cost curve▪ Economies and diseconomies of scale		
	Topic 11	Profit Maximizing under Perfect Competition and Monopoly <ul style="list-style-type: none">• The Concepts of Revenue• Profit maximization<ul style="list-style-type: none">○ Total approach○ Marginal approach• Perfect competition<ul style="list-style-type: none">○ Characteristics○ Short run equilibrium under perfect competition○ Long run equilibrium under perfect competition• Monopoly<ul style="list-style-type: none">○ Characteristics○ Short run equilibrium under monopoly○ Long run equilibrium under perfect monopoly○ Price discrimination• Productive and allocative efficiencies• Price discrimination from Islamic perspective	2	1.5
	Topic 12	Profit Maximizing under Monopolistic Competition and Oligopoly <ul style="list-style-type: none">• Monopolistic competition<ul style="list-style-type: none">○ Characteristics○ Short run equilibrium under monopolistic competition○ Long run equilibrium under monopolistic competition• Oligopoly<ul style="list-style-type: none">○ Characteristics○ The kinked demand curve○ Sweezy’s model	2	3
	Topic 13	Theory of Distribution <ul style="list-style-type: none">• Wage determination• Rent• Profit• Interest• Interest in Islamic perspective	2	3
		Total contact hours	28	21
		Equivalent lecture hours	28	14
		Total lecture hours	42	
		Credit hours	3	
14.	Main references:	1. Frank, Robert H (2007). Microeconomics and Behavior (7th ed). Irwin Professional Pub. 2. Slavin, S. L (2007). Economics . International Edition, McGraw Hill.		
15.	Additional References:	1. Mohamed Aslam Haneef and Muhammad Anwar (2005), Studies in Islamic Economics in the 21st Century: Sharia’ah Foundations , Theory, and Institutions IN PROCESS. 2. Muhammad Abdul Mannan (2003), Islamic Economics Theory and Practice , Pelanduk Publication. 3. Ziauddin Ahmad, Munawar Iqbal and M. Fahim Khan (2002), Fiscal Policy and Resources Allocation in Islam , Institute of Policy Study, Islamabad. 4. Ziauddin Ahmad, Munawar Iqbal and M. Fahim Khan (2002), Money and Banking in Islam , Institute of Policy Study, Islamabad. 5. Khurshid Ahmad (2000), Studies in Islamic Economics , The Islamic Foundation, London.		
	Other Materials:	All other materials will be available to students online.		