



UNIVERSITY OF GHANA

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DEPARTMENT OF ECONOMICS

SCHOOL OF SOCIAL SCIENCES

COLLEGE OF HUMANITIES

FIRST SEMESTER 2020/2021 ACADEMIC YEAR

COURSE SYLLABUS

ECON 311: MICROECONOMICS I

3 CREDITS

LECTURE PERIOD

GROUP A: Mondays, 11.30pm – 1.20pm

GROUP B: Thursdays, 1:30 – 3:20pm

COURSE INSTRUCTORS:

Dr. Priscilla Twumasi Baffour [PTB]

Office Location: Economics Department, Room W7

Office Hours: Wednesdays (10.30am – 12.30pm)

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Dr. Eric Akobeng [EA]

Office Location: Economics Department- Second Floor

Office Hours: Thursday (10.30am – 12.30pm)

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Dr. Emmanuel Adu-Danso [EAD]

Office Location: Economics Department

Office Hours: Friday (10.30am – 12.30pm)

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COURSE DESCRIPTION

This course is intended as an introduction to the study of individuals (consumers) and firms as well as the nature of markets, which is the interaction between individuals and firms. The course helps students develop the basic microeconomic tools essential for more advanced economics courses. Additionally, the course presents real world applications to microeconomic theories to understand policy options of economic agents in their bid to obtain optimum satisfaction. The course uses a combination of mathematics and graphs to understand the optimal behaviour of individual consumers and firms, and the coordination of these decisions through markets.

COURSE PRE-REQUISITES

The pre-requisites of this course are Econ 211: Elements of Economics and Econ 213: Elements of Mathematics for Economics

COURSE GOALS

At the end of this course, students are expected to know the following:

- The structure and underlying assumptions of the standard models used in microeconomic analysis.
- Must be able to identify and solve constrained optimization problems.
- Must be able to explain in non-technical terms the fundamental economic intuition associated with the standard models.
- Must be able to apply these theoretical models to address real-world problems.

LEARNING OUTCOMES

1. Students will learn to model consumer choice—how individuals make consumption choices given a limited budget—by developing a utility-maximization model and using it to explain how changes in prices and income affect consumer purchasing patterns.
2. Students will learn to derive demand curves from utility functions and to identify and analyze income and substitution effects.
3. Students will learn to model firm production—how the firm chooses inputs such as labor and capital to produce output—and how changes in technology affect the firm's production choices.
4. Students will learn the cost-minimization and output maximization models of the firm and use it to understand how changes in factor prices affect a firm's decisions.
5. Students will learn the assumptions necessary for a market to be perfectly competitive, how to calculate short-run and long-run equilibria in such markets, and how changes in market conditions affect these equilibrium outcomes.
6. Students will learn how monopoly firms choose price and quantity under both uniform pricing and price discrimination.

COURSE DELIVERY

The course would be delivered largely through two-hour lectures on topics detailed in the course syllabus. The lectures will usually be supplemented with tutorials on specific aspects of topics treated in class as well as problem sets.

PLAGIARISM POLICY

Plagiarism in any form is unacceptable in the University of Ghana and shall be treated as a serious offence. Appropriate sanctions, as stipulated in the Plagiarism Policy, will be applied when students are found to have violated the Plagiarism policy.

ASSESSMENT AND GRADING

Mid-Semester Test/Interim Assessment..... 30%

Interim Assessment to be done at the end of week 7

Final Exam.....70%

GRADING SCALE: Students' performance on the course shall be graded as follows:

Letter Grade	Marks	Grade Point	Interpretation
A	80 – 100	4.0	Outstanding
B+	75 – 79	3.5	Very Good
B	70 – 74	3.0	Good
C+	65 – 69	2.5	Fairly Good
C	60 – 64	2.0	Average
D+	55 – 59	1.5	Below Average
D	50 – 54	1.0	Marginal Pass
*E	45-49	0.5	Unsatisfactory
F	0 – 44	0	Fail

READING LIST

Basic texts

1. Perloff, J. M. (2017). Microeconomics: Theory and applications with calculus. Pearson Higher Ed.
2. Jeffrey M. Perloff (2012). Microeconomics (Sixth edition), Pearson Education Ltd.
3. Varian, H. R. (2014). Intermediate Microeconomics: A Modern Approach: Ninth International Student Edition. WW Norton & Company.
4. Koutsoyiannis, A. (2006). Modern microeconomics 2 nd edition.
5. Nicholson, W., & Snyder, C. M. (2014). *Intermediate microeconomics and its application*. Cengage Learning.

Supplementary Texts

6. Henderson, J. M. J. M., & Quandt, R. E. (1980). *Microeconomic theory: A mathematical approach* (No. 04; HB171. 5, H4 1980.).
7. Landsburg, S. (2013). *Price theory and applications*. Cengage Learning.

COURSE DELIVERY PLAN

Week	Lecture No.	Topic	Comments
1	1	Course overview and Introduction	Lecture by P.T.B. This will include a discussion on the objectives of the course, class format, students assessment, review of pre-requisites: ECON 211 and ECON 213
2	2	Consumer Behaviour and Demand Theory	Lecture by P.T.B. Cardinal Utility Approach to demand theory: law of diminishing marginal utility, consumer equilibrium, Marshall's derivation of the law of demand
3	3	Consumer Behaviour and Demand Theory	Lecture by P.T.B. Ordinal Utility Approach: Preference functions, indifference curve analysis, principles of diminishing marginal rate of substitution, the budget line -consumer equilibrium using the Substitution and Lagrangian approaches
4	4	Consumer Behaviour and Demand Theory	Lecture by P.T.B. ordinary and compensated / hicksian demand functions; price-consumption curve, income-consumption, curve, decomposition of the effect of price changes into income and substitution effects using the equivalent variation , compensating variation, and cost difference approaches, ordinary versus compensated demand curve
5	5	Consumer Behaviour and Demand Theory	Lecture by P.T.B. Application of consumer theory (Labour leisure choice model) Simplified slusky's equation; normal good, inferior good, giffen good, gross substitutes and gross complements
6	6	Consumer Behaviour and Demand Theory	Lecture by E.AD. Revealed preference; the relationship between prices elasticity of demand and the marginal revenue, consumer surplus
7	7	Theory of Production	Lecture by E.AD. Production function: total, average, and marginal products, isoquants; marginal rate of technical substitution
8	8	Theory of Production	Lecture by E.AD. isocost curves; output maximization subject to cost constraint, cost minimization subject to output constraint, input demand function; expansion path;
9	9	Theory of Cost	Lecture by E.AD. Social cost and private costs; short-run cost theory: fixed, variable, total, average, marginal costs
10	10	Theory of Cost	Lecture by E.A. long-run cost theory: Economies and diseconomies of scale

11	11	Market Structures	Lecture by E.A. <i>Perfect Competitive market: short-run and long-run equilibrium of the firm</i>
12	12	Market Structures	Lecture by E.A. <i>Monopoly: definition, assumption, demand curve, short-run and long-run equilibrium of the firm; price discrimination</i>
13	13	Market Structures	Lecture by E.A. <i>monopolistic competition: definition, production differentiation, many sellers, price decisions, short-run and long-run equilibrium of the firm</i>