



Lahore University of Management Sciences

Econ 111-Principles of Microeconomics

Summer 2024

Course Instructor	Rimsha Arif
Room No.	165 located in Wing B of the Economics Department
Office Hours	After class and by appointment
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Course URL (if any)	

Course Basics				
Credit Hours	4			
Lecture(s)	Lectures per week	4	Duration	2 hours
Recitation (per week)	In-class Recitations(s) per week	1	Duration	50 – 60 minutes, during class timings on Thursdays

Course Distribution	
Core	Yes
Elective	
Open for Student Category	Freshmen, Sophomores Outgroup for SSE and Law students
Close for Student Category	

COURSE DESCRIPTION
<p>The course intends to provide an introduction to the core area of economics known as Microeconomics. The key objective of the course is to teach students the ways on how an economy operates. This includes a close examination of markets, consumers, government, institutions and economic agents' decisions and welfare. The course will also introduce economic models on how individuals reach optimal decisions and would also study circumstances in which social outcomes become sub-optimal even if agents make decisions by acting in their self-interest.</p> <p>The aim of the course is to introduce students to the systematic study of economics through addressing five questions.</p> <p>What is economics about? Who are the main economic agents? What are markets capable of doing and what are their constraints? How can public policies improve economic performance? How do economists produce knowledge?</p> <p>Students will use (a) historically and methodologically informed narrative, (b) graphical economic models and (c) mathematical models to analyze these issues.</p> <p>The course material includes:</p> <ul style="list-style-type: none">Free online interactive text developed by the CORE project, see below for details.



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- A set of 'When economists disagree' segments, which highlight areas of disagreement, the basis on which disagreement rests and how it may be resolved. In some of the examples, students are introduced to the way new empirical methods or new data have narrowed the grounds for disagreement.
- A set of 'Past economist' segments. These show students the contested nature of the subject and how new knowledge is produced. It reveals both how knowledge has been created in response to developments in the economy and how economists have affected the economy through changes in policy based on economic knowledge.
- Leibniz supplements in which the conceptual material is represented mathematically.
- A supplementary textbook of Principles of Microeconomics by Georgory Mankiw (MK) 8th edition for selected chapters.

COURSE PREREQUISITE(S)

none

COURSE OBJECTIVES

Students learn how to analyze a wide variety of economic situations by identifying the decision maker(s), their objectives, the action(s) they have to decide, the constraints they face (the feasible set) and the decision rule. This provides a broadly applicable method for identifying the possibilities for mutual gains from an economic interaction and the presence of conflicts of interest. The concepts of trade-offs and opportunity cost, and the evaluation of economic outcomes according to the criteria of efficiency and fairness are used repeatedly. In addition, students are expected to understand the importance of differences in institutions and rules of the game as important determinants of economic interaction and outcomes.

Grading Breakup and Policy

Students are expected to keep track of the required readings and make sure to do them before the sessions. They are also expected to be punctual to classes. Even though there is no weightage for class participation, students are still encouraging to contribute to the lectures to have a holistic learning environment.

The grading instruments and their breakup is as follows:

- **Quizzes:** 15% (4 quizzes, no n-1)
- **Class Participation:** 10% (Written CP)
- **Final Examination:** 30%

All quizzes would be held during class timings, generally 40-50 minutes long. They would be closed books/notes and would contain 2-3 structured questions with multiple parts. All questions in the quiz would be mandatory and there would be no MCQs.

Policy on Plagiarism and Cheating

Violations would be taken very seriously. Writing assignments will be put through Turnitin.

If cheating or plagiarism is 'suspected', the case would be forwarded to the Disciplinary Committee. This would be to ensure that the punishment is in proportion to the violation.

Examination Detail



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Midterm Exam		No Combine Separate: Combined grading. Duration: To be specified. Generally, in class. Preferred Date: Exam Specifications: Closed books, closed notes; no help sheet, no formula sheet; calculators allowed
Final Exam		Yes/No: Yes Combine Separate: Combined grading. Duration: To be specified. Exam Specifications: Closed books, closed notes; no help sheet, no formula sheet; calculators allowed

Tentative Outline of Sessions

Sessions	Topics	Instructor	Recommended Readings
1	General introduction to/discussion of the course		
1, 2	The Capitalist Revolution	Rimsha Arif	Unit 1 of CORE Economics textbook
3, 4	Technological Change, population and economic growth	Rimsha Arif	Unit 2 of CORE Economics textbook
5	Quiz 1 (3rd June)		
6, 7	Scarcity, Work and Choice	Rimsha Arif	Unit 3 of CORE Economics textbook
8, 9	Social Interactions	Rimsha Arif	Unit 4 of CORE Economics textbook
10	Recitation Session	Rimsha Arif	Practice Questions will be provided
11	Quiz 2 (12th June)		
13	Social Interactions	Rimsha Arif	Unit 4 of CORE Economics textbook
14, 15	Property and Power: Mutual Gains and Conflict	Rimsha Arif	Unit 5 of CORE Economics textbook
16	The Firm and its Customers	Rimsha Arif	Unit 7 of CORE Economics textbook
17	Quiz 3 (27th June)		
17	The Firm and its Customers	Rimsha Arif	Unit 7 of CORE Economics textbook
18, 19	The Labor Market: Wages, Profits and Unemployment	Rimsha Arif	Unit 9 of CORE Economics textbook
20	Recitation Session	Rimsha Arif	Practice Questions will be provided
	Quiz 4 (4th July)		
	Final Exam on the last day of Summer Semester Classes (9th July)		

Textbook(s)/Supplementary Readings

Main text: We will make use of the **free** online interactive text produced for the CORE project by experts from around the world (www.core-econ.org).

Students are required to use the online version by making student accounts at core-econ.org. Each chapter of the book has an excellent bibliography that suggests additional reading material related to the chapter. Students are encouraged to read the extra material as well.

Supplementary Textbook for selected chapters (if required): Principles of Microeconomics by Georgory Mankiw (MK) 8th edition (https://ia803408.us.archive.org/4/items/economics_202104/Principles%20of%20Economics.pdf)