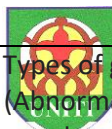




FAKULTI PENGURUSAN DAN INDUSTRI HALAL

PROGRAM	Diploma in Accountancy
COURSE NAME	Microeconomics
COURSE CODE	ECO 162
CREDIT HOUR	3
SYNOPSIS	This course discusses the fundamental microeconomic principles governing the behavior of economic agents and their application in analyzing microeconomic issues.
COURSE STRUCTURE	
CHAPTER	TOPICS
1	Introduction to Economics 1.1 Definition of economics (Conventional and Islamic Perspectives) 1.2 Economic concepts (Conventional Perspective) 1.3 Production Possibilities Curve (PPC) 1.4 Four Basic economic problems 1.5 Four types of economics systems
2	Demand and Supply 2.1 Classification of goods (Conventional and Islamic perspective) 2.2 Definition of demand, law of demand, individual and market demand 2.3 Change in quantity demanded and change in demand 2.4 Determinants of demand 2.5 Exceptional demand (Veblen/Luxury goods and Giffen goods) 2.6 Definition of supply, law of supply, individual and market supply 2.7 Change in quantity supplied and change in supply 2.8 Determinants of supply 2.9 Exceptional supply (labor market)
3	Elasticity 3.1 Elasticity of Demand 3.1.1 Price elasticity of demand 3.1.1.1 Definition 3.1.1.2 Measurement and the degrees of price elasticity of demand 3.1.1.3 Determinants of price elasticity of demand 3.1.1.4 Relationship between price elasticity of demand and Total Revenue 3.1.2 Income elasticity of demand 3.1.2.1 Definition 3.1.2.2 Measurement



	<p>3.1.2.3 Application: Types of goods (Normal goods: Necessity and Luxury) and (Abnormal goods: Inferior goods)</p> <p>3.1.3 Cross elasticity of demand</p> <p>3.1.3.1 Definition</p> <p>3.1.3.2 Measurement</p> <p>3.1.3.3 Application: Relationship of goods (Substitutes and Complementary)</p> <p>3.2 Price elasticity of Supply</p> <p>3.2.1 Definition</p> <p>3.2.2 Measurement and degrees of price elasticity of supply</p> <p>3.2.3 Determinants of elasticity of supply</p>
4	<p>Market Equilibrium and Government intervention</p> <p>4.1 Definition of market equilibrium</p> <p>4.2 Determination of equilibrium price and quantity</p> <p>4.3 Application of market analysis: Changes in demand and supply and effect on equilibrium price and quantity</p> <p>4.4 Government intervention in the market</p> <p>4.4.1 Maximum price</p> <p>4.4.2 Minimum price</p> <p>4.4.3 Subsidy and Indirect taxes</p> <p>4.5 Price control from Islamic perspective</p>
5	<p>Theory of Consumer Behavior</p> <p>5.1 Ordinal approach (basic concept without calculation)</p> <p>5.1.1 Budget line</p> <p>5.1.2 Indifference curve</p> <p>5.1.3 Consumer equilibrium</p>
6	<p>Production and Cost Theory</p> <p>6.1 Short-run production</p> <p>6.2 Law of diminishing marginal returns</p> <p>6.3 Stages of production</p> <p>6.4 Short-run costs</p> <p>6.5 Long run average cost</p> <p>6.5.1 Economies of scale</p> <p>6.5.2 Diseconomies of scale</p>
7	<p>Theory of Firm and Market structure</p> <p>7.1 Profit maximization: Total and marginal approach</p> <p>7.2 Perfect Competition</p> <p>7.2.1 Characteristics</p>



	<p>7.2.2 Short-run equilibrium</p> <p>7.2.3 Shut-down point</p> <p>7.2.4 Long run equilibrium</p> <p>7.3 Monopoly</p> <p>7.3.1 Characteristics</p> <p>7.3.2 Short-run equilibrium</p> <p>7.3.3 Long run equilibrium</p> <p>7.3.4 Three types of price discrimination</p> <p>7.3.5 Comparison between long run equilibrium of perfect competition and monopoly</p> <p>7.4 Monopolistic Competition</p> <p>7.4.1 Characteristics</p> <p>7.4.2 Short-run equilibrium</p> <p>7.4.3 Long run equilibrium</p> <p>7.5 Oligopoly</p> <p>7.5.1 Characteristics</p> <p>7.5.2 Kinked demand curve</p> <p>7.5.3 Short-run equilibrium</p>
8	<p>Theory of Distribution</p> <p>8.1 Wage determination (Perfect competition)</p> <p>8.2 Other reward to factors of production (brief introduction)</p> <p>8.2.1 Rent</p> <p>8.2.2 Profit</p> <p>8.2.3 Interest</p>
References:	<ol style="list-style-type: none"> 1. Muhammad Abdul Mannan, <i>The Making of Islamic Economic Society</i>, n/a, 1984, ISBN: n/a 2. Muhammad Abdul Mannan, <i>Islamic Economics: Theory and Practice</i>, n/a, ISBN: n/a 3. Tucker, Irving B., <i>Economics for today</i>, 0, South-Western College Publishing, 2008, ISBN: n/a 4. Begg. D, Fischer. S and Dornbusch. R, <i>Economic edition</i>, Mc Graw Hill, 2004, ISBN: n/a 5. John Sloman, <i>Economics</i>, 0, Edingburgh, 2006, ISBN: n/a