
PRINCIPLES OF MICROECONOMICS in Fall 2020 (EC2010A)

Course Code	EC2010A	Professor(s)	Shahram Alijani
Prerequisites	None	Office Number	G-206
Class Schedule	F: 18:10-19:45 in Q-A101 T: 12:40-14:15 in Q-A101	Office Hours	Tuesdays 15:00 – 16:00 & by appointment
Credits	4	Email	salijani@aup.edu
Semester	Fall 2020	Office Tel. Ext.	567

Course Description

COURSE DESCRIPTION:

This course provides an introduction to the subject of Microeconomics and underlines the importance of economics as a subject of scientific inquiry by addressing a number of important social, economic, and policy issues and topics. The main body of the course deals with the mechanism of resource allocation and the behavior of the main economic agents, the household and the firm. A particular emphasis is placed on the role played by consumers and producers as economic agents when making economic decisions. The course proceeds by providing a general framework for the study of the price system, demand and supply, elasticity, utility, production, and cost mechanisms and examines the production and cost conditions under different market structures and perfect and imperfect market assumptions.

Course Learning Outcomes

Defining scarcity, choice, efficiency and opportunity cost using PPF.

Interpreting core economic concepts through its graphical presentation and basic mathematical expression.

Identify different types of market structures (monopoly, oligopoly and a competitive market).

Describe consumer behavior and their decision making process through utility and indifference theories.

Describe the theory of the firm, market structure, perfect and imperfect competition, laws of production, cost and profit maximization.

General Education

GENERAL EDUCATION & GLACC REQUIREMENTS:

The general education program at AUP consists of four requirements: Speaking the World, Modeling the World, Mapping the World, and Comparing Worlds Past and Present. This course can be used to fulfill the general education requirement 'Mapping the World: Social Experience and Organization' as such has the learning objectives stated above. The GLACC programs fulfill the core curriculum requirements at the American University of Paris. This course emphasizes the GLACC learning objective "Civic and Ethical Engagement". Students are expected to demonstrate awareness of ethical considerations relating to specific societal problems, values, or practices and learn to articulate possible solutions to prominent challenges facing societies and institutions today so as to become engaged actors at various levels in our interconnected world.

Course Outline

CLASS ORGANIZATION: LECTURES AND EXERCISES

Considering the numerous constraints imposed by the COVID-19 sanitary imperatives, class lectures, assignments and workshops will be conducted in a hybrid format that encompasses synchronous and asynchronous, distant and face-to-face sessions. Students are required to participate in all classes and do the assignments in one or more of the designated lecture and exercise formats. The current format requires a high degree of flexibility, adaptation, agility and collaboration among all participants. In addition to class lectures, students are required to participate in four workshops designed to familiarize students with the application of economic theories and the tools and techniques used by economists using graphs, calculating slopes and solving linear and nonlinear equations. Due to the constraints imposed by the organization of hybrid classes, workshops may take place outside regular class session in a synchronous or asynchronous mode.

Students joining class via MS Teams are encouraged to participate actively in class discussions and exercises. Join meetings with mute on and turn your camera on when you ask questions. Please be mindful of potential technical problems, background noise and recording problems. Raise your hand when asking question, turn off your microphone during lecture and use the chat function parsimoniously.

COURSE OUTLINE:

The following topics will be covered and the approximate number of lecture and workshop sessions appears in parentheses.

- Introduction : Nature of Economics, Fundamentals of Economics Thinking (1)
- General view of the Price System: Demand and Supply (3)
- Consumer Choice and Utility, Budget Constraints, Indifference Curves (2)
- Elasticity and its Applications in Business Decisions (1)
- Firm, Production, Cost and Revenue: Short and Long-Run Production Conditions (3)
- Market Structure: Perfect Competition, Monopoly, Monopolistic Competition (3)
- Topics and issues in Economic Efficiency and Regulation (2)

COURSE AND READING SCHEDULE

FALL 2020

Date	Topics, Workshops and Examinations	Readings
Week 1 Starting Sept. 21	Introduction: Overview of economics as a subject matter/ Production, trade & market mechanisms.	Arnold, C
Week 2 Starting Sept. 28	Production, trade, market, demand and supply mechanism. Working with diagrams and graphs.	Arnold, C Appendix
Week 3 Starting Oct. 5	Demand and supply mechanism: applications of D & S Workshop I: Exercise sheet 1 Asynchronous and synchronous sessions	Arnold, C Arnold, C
Week 4 Starting Oct. 12	Elasticity: concept and calculation. Elasticity of demand, supply and income. Implications for consumers and business Test 1: Friday Oct. 16: asynchronous session	Arnold, C
Week 5 Starting Oct. 19	Introduction to consumer behavior: Utility, total and marginal utility	Arnold, C
Week 6	More on consumer utility: graph and calculation	Arnold, C

Oct. 26	Indifference curve and budget constraint	& Appendix
	Consumers' equilibrium, marginal rate of substitution	
Week 7	Cost and production: implication for profit-maximizing firm	Arnold, C
Starting Nov. 2	Workshop II: Exercise sheet 2	
	Asynchronous and synchronous sessions	
Week 8	Test 2: Tuesday Nov. 10: asynchronous session	Arnold, C
Starting Nov. 9	Fall semester break: Nov. 11-15 No class on Friday Nov. 13.	
Week 9	Perfect competition.: production and cost assumptions	Arnold, C
Starting Nov. 16	Calculation of marginal cost and revenue	
Week 10	Monopoly: production and cost assumptions	Arnold, C
Starting Nov. 23	Calculation of marginal cost and revenue	
	Workshop III: Exercise sheet 3	
	Asynchronous and synchronous sessions	
Week 11	Monopolistically competitive market: Oligopoly and game theory, contestable markets; production and cost assumptions.	Arnold, C
Starting Nov. 30	Calculation of marginal cost and revenue.	
Week 12	More on perfect and imperfect competition	Arnold, C
Starting Dec. 7		Review session
	Workshop IV: Exercise sheet 4	
	Asynchronous and synchronous sessions	
	Classes end on Dec. 11th.	
Week 13	Reading Days	
Starting Dec. 14	N.B. Extra asynchronous exercise sessions for small groups. Extra online sessions for the entire class may be scheduled during this week.	
Week 14	Test 3: Face-to-Face and synchronous session	
Last class and Final Examination	The final exam will take place on Dec. 22nd at 5:30 p.m. Earlier exam date could be envisaged under special circumstances.	

Additional Readings & Selected Bibliography

See the list of additional readings and the class handout for workshops and exercise sessions provided by the professor.

Textbooks

This course doesn't have any textbook.

Attendance Policy

Covid-19 temporary amendments:

Students studying at The American University of Paris are still expected to attend ALL scheduled classes. Due to special circumstances related to the Covid-19 pandemic, students will have the option of attending some classes online either in a synchronous or asynchronous format. In general, students are expected to attend at least one class a week in a synchronous format by either being physically present or logged in via the TEAMS online platform during class. It is still the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus.

ATTENDANCE POLICY:

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory. IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will

receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level. Students must be mindful of this policy when making their travel arrangements, and *especially during the Drop/Add and Exam Periods*.

ENGLISH LANGUAGE PROFICIENCY STATEMENT: As an Anglophone university, The American University of Paris is strongly committed to effective English language mastery at the undergraduate level. Most courses require scholarly research and formal written and oral presentations in English, and AUP students are expected to strive to achieve excellence in these domains as part of their course work. To that end, professors include English proficiency among the criteria in student evaluation, often referring students to the university Writing Lab where they may obtain help on specific academic assignments. Proficiency in English is monitored at various points throughout the student's academic career, most notably during the admissions and advising processes, while the student is completing general education requirements, and during the accomplishment of degree program courses and senior theses.

Grading Policy

GRADING:

Participation	10%
Assignments & Workshops	25%
Midterm Examination: Test1	20%
Midterm Examination: Test 2	20%
Final Examination: Test 3	25%

Other
