

**OSTİM TECHNICAL UNIVERSITY  
FACULTY OF ECONOMICS AND ADMINISTRATIVE SCIENCES**

**COURSE SYLLABUS FORM  
2020-2021 FALL**

<b>ECON 101 Introduction to Microeconomics</b>							
<b>Course Name</b>	<b>Course Code</b>	<b>Period</b>	<b>Hours</b>	<b>Application</b>	<b>Laboratory</b>	<b>Credit</b>	<b>ECTS</b>
Introduction to Microeconomics	ECON 101	1	3	1	0	3	7

<b>Language of Instruction</b>	English
<b>Course Status</b>	Compulsory
<b>Course Level</b>	Bachelor
<b>Learning and Teaching Techniques of the Course</b>	Lecture, Discussion, problem solving

**Course Objective**

The aim of the course is to provide a basic understanding of microeconomics to students by concentrating on the behavior of individual decision makers, namely consumers, producers and government and the functioning of individual markets and industries in the economy. Topics covered are major microeconomic concepts, the economic problem, theories of supply and demand, consumer theory, firm theory, functioning of the product and factor markets, various market structures, theory of distribution, market failures and the role of government.

**Learning Outcomes**

The students who become successful in this course will be able;

- to master the basic concepts of microeconomics,
- to understand the behavior of major decision makers, ie. consumers, producers and the government
- to have a basic understanding of how product markets work,
- to learn about different market structures, ie. perfect competition, monopoly, monopolistic competition and oligopoly
- to have a basic understanding of how factor markets work,
- to comprehend the reasons for market failures,
- to learn the likely impact of government regulation on these markets,
- to have an insight about distribution of income

**Course Outline**

The course starts with an introduction to microeconomics and major microeconomic concepts and continues with the production possibility model. comparative advantage and economic systems. Then supply, demand, equilibrium, determination of price and quantity are introduced. This is followed by shifts in demand and supply, disequilibrium and adjustment to equilibrium and government intervention. After the introduction of various elasticities, some applications are illustrated within the context of demand and supply and determination of pieces and quantities. After the first midterm exam, first consumer behavior, and then producer behavior are examined extensively. Then various market structures such as perfect competition, monopoly, monopolistic competition and oligopoly are introduced and compared. Oligopoly is

then related with game theory. After the second midterm exam, some insight about real world competition and technology is given and the term is completed by a thorough discussion of the resource markets with particular emphasis on the labor market.

<b>Weekly Topics and Related Preparation Studies</b>		
<b>Weeks</b>	<b>Topics</b>	<b>Preparation Studies</b>
1	Introduction to Economics and Economic Reasoning (Colander, Chap.1)	Definition of economics Economic reasoning Economic forces Economic insights Economic policy options
2	Production Possibility Model Economic Institutions (Colander, Chaps.2-3 and Appendix to Chap. 2)	The production possibility model, Comparative advantage and trade Globalization and the law of one price Graphs Economic systems Economic institutions in a market economy Role of government Global institutions
3	Supply and demand, determination of price and quantity (Colander, Chaps.4-5 and Appendix to Chap.5)	Demand Supply Equilibrium and disequilibrium Shifts in supply and demand Limitations of supply/demand analysis Government interventions (price ceilings, price floors excise taxes, quantity restrictions)
4	Supply and demand elasticities (Colander, Chap.6)	Price elasticity Substitution and elasticity Elasticity, total revenue and demand Income elasticity Cross-price elasticity
5	Price, Quantity and Applications (Colander, Chaps.7-8 and Appendix to Chap.8)	Taxation and government intervention Producer and consumer surplus Burden of taxation Market failure versus government failure The agricultural problem
<b>6</b>	<b>FIRST MIDTERM EXAM</b>	<b>11 November 2020 Wednesday 13:00</b>
7	Consumer Behavior (Colander, Chap.19 and Appendix to Chap.19)	Total utility, marginal utility, diminishing marginal utility, utility maximization Income and substitution effects Indifference curve analysis Rational choice and equilibrium Theory of choice and the real world
8	Production and Cost (Colander, Chap.11-12 and Appendix to	The role of the firm The production process

	Chap.12)	The costs of production Technical efficiency and economic efficiency Long run cost curve Isocost/Isoquant analysis
9	Market Structures: Perfect Competition (Colander, Chap.13)	Determination of price and quantity Profit maximization Total profit Adjustment from short run to long run
10	Market Structures: Monopoly and Monopolistic Competition (Colander, Chap.14 and Appendix to Chap14)	Determining monopolistic price and output Welfare loss from monopoly Barriers to entry and monopoly Monopolistic competition
11	Market Structures: Oligopoly (Colander, Chap.15)	Models of oligopoly The cartel model The contestable market model
12	Game Theory (Colander, Chap.20 and Appendix to Chap.20)	The Prisoner's Dilemma Nash Equilibrium Strategic decision making Behavioral Economics Game Theory and Oligopoly
13	<b>SECOND MIDTERM EXAM</b>	<b>30 December 2020 Wednesday 13:00</b>
14	Real-World Competition and Technology (Colander, Chap16)	Monopoly and X-inefficiency Fight between competitive and monopolistic forces Platform monopolies and technology
15	Resource Markets Distribution of Income (Colander, Chaps.17-18 and Appendix to Chap 17)	Supply of labor Derived demand for labor Determination of wages Nonwage and asset income Rents, profits and interest Marginal productivity theory of income distribution Measuring the distribution of income Income distribution and fairness
<b>16</b>	<b>FINAL EXAM</b>	

- **TEXTBOOK: Colander, David C. (2020) *Economics*, 11<sup>th</sup> Edition, Mc Graw Hill Education.**
- **SUPPLEMENTARY TEXTBOOK: McConnell C.R., S.L. Brue and S.M. Flynn (2015) *Economics: Principles, Problems and Policies*, 20<sup>th</sup> Edition, Global Edition, Mc Graw Hill Education.**
- **SUPPLEMENTARY TEXTBOOK: Hubbard, R.G. and A.P. O'Brien (2013) *Economics*, 4<sup>th</sup> Edition, Pearson.**

### Assessment

Studies	Number	Contribution margin (%)
Continuity	10	1
Lab		
Application (class participation)	10	1
Field Study		
Course-Specific Internship (if any)		
Quizzes / Studio / Critical	2	2
Homework	10	1
Presentation		
Projects		
Report		
Seminar		
Midterm Exams / Midterm Jury	2	60
General Exam / Final Jury	1	35
<b>Total</b>		<b>100</b>
<b>Success Grade Contribution of Semester Studies</b>		65
<b>Success Grade Contribution of End of Term</b>		35
<b>Total</b>		<b>100</b>

<b>Relationship Between Course Learning Outcomes and Program Competencies</b>						
Nu	Learning Outcomes	Contribution Level				
		1	2	3	4	5
1	to master the basic concepts of microeconomics,					x
2	to understand the behavior of major decision makers, ie. consumers, producers and the government					x
3	to have a basic understanding of how product markets work					x
4	to learn about different market structures, ie. perfect competition, monopoly, monopolistic competition and oligopoly					x
5	to have a basic understanding of how factor markets work					x
6	to comprehend the reasons for market failures					x
7	to learn the likely impact of government regulation on these markets					x
8	to have an insight about distribution of income				x	

<b>ECTS / Workload Table</b>			
Activities	Number	Duration (Hours)	Total Workload
Course hours (Including the exam week: 16 x total course)	16	3	48

hours)			
Laboratory			
Application	16	1	16
Course-Specific Internship			
Field Study			
Study Time Out of Class	16	4	64
Presentation / Seminar Preparation			
Projects			
Reports			
Homework	10	2	20
Quizzes / Studio Review	2	5	10
Preparation Time for Midterm Exams / Midterm Jury	2	15	30
Preparation Period for the Final Exam / General Jury	1	15	15
<b>Total Workload</b>	<b>(203/30 = 6,76)</b>		<b>203</b>