



# AL MUSANNA COLLEGE OF TECHNOLOGY

## DEPARTMENT OF BUSINESS STUDIES

<b>BAEC 1203</b>	<b>Principles of Microeconomics</b>	<b>3 Credit Hours</b>
<b>Prerequisites:</b>		
<b>Goal</b>	To enable the student to acquire a basic understanding of micro-economic concepts and gain the knowledge of how to study the behavior of small economic decision units, concerning the behavior of individuals, household, firms, industries and resource owners	
<b>Objectives</b>	<b>Outcomes</b>	
The course will enable the student to understand basic microeconomic concepts, areas and tools. Also it will develop an interest in economic issues and problems in a real word environment.	<ol style="list-style-type: none"> <li>1. Describe and explain the central economic problems facing any society and the role of scarcity, choice and opportunity cost in those problems.</li> <li>2. Explain how these economic problems are solved by the price system in a market economy and how the same problems are solved in centrally planned economies.</li> <li>3. Discuss the applications of the scientific method to economics and distinguish between positive and normative statements.</li> <li>4. Explain how demand and supply interact to determine prices of goods and services and the quantities exchanged.</li> <li>5. Apply demand and supply analysis to a variety of topics in a market economy, including problems of price controls and rent controls, minimum wage laws.</li> <li>6. Apply the concepts of elasticity to real economic and business problems</li> <li>7. Describe and explain the relation between cost of production and output produced in the short run and the long run.</li> <li>8. Distinguish between technological efficiency and economic efficiency.</li> <li>9. Define the factors (firm size, product differentiation, economies of scale, and barriers to entry) that determine the structure of different markets (perfect competition, monopolistic competition, oligopoly, and monopoly).</li> </ol>	