

Course Title	Intermediate Microeconomics				
Course Code	AEF330				
Course Type	Compulsory				
Level	Bachelor (1st Cycle)				
Year / Semester	3 rd Year / 5 th Semester				
Teacher's Name	TBA				
ECTS	6	Lectures / week	3 Hours / 14 weeks	Laboratories / week	None
Course Purpose and Objectives	Provide an understanding of major microeconomic issues. Particular attention will be given to the significance of different market structures. Furthermore, the continuous interactions between the economic agents and its effects will be examined.				
Learning Outcomes	<p>Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Explain the significance of supply and demand in the market. • Analyze the factors that affect supply and demand. • Demonstrate the concept of elasticity and explain its applications. • Describe the different market structures of the market. • Explain the perfectly competitive model and its assumptions. • Investigate the differences between perfect competition and monopoly and discuss their implications on output and prices. • Analyze the oligopoly and monopolistic completion models. 				
Prerequisites	AEF100, AEF115	Co-requisites	None		
Course Content	<p>The concept of Scarcity; Scarcity and Choice; Classifying Resources; Economic Goods; Free Goods; The Market or Price System; Theory of Microeconomics.</p> <p>Demand and Supply: A review; The market mechanisms and applications.</p> <p>Preferences, Utility and Consumer Choice: Market Demand; Utility Analysis; Analysis of Consumer Behaviour; Consumer Optimum; Indifference Curve Analysis.</p> <p>Consumer Demand: Changes In Money Income; Normal and Inferior Goods; Engel Curves; Market Demand; Price Changes, Changes in Real Income and the Law of Demand; Giffen's Paradox.</p> <p>Elasticity Concepts: Definitions; Determinants of the Elasticity; The Numerical Computation; The Estimation of Elasticities; Cross Elasticities; The Price Elasticity of the Supply.</p> <p>Risk and Uncertainty in Decision Making: Choices between Risky Alternatives; Risk and Time: The Futures Market; Transferring Risk; Hedging and Speculation; Speculation and Price Variation; Specialization and Risk Taking.</p>				

	<p>Theory of production; Theory of the firm; The Goal of the Firm; Profit Maximization; Production Inputs; The Law of Diminishing Marginal Returns; the three Stages of Production; Substitution among Inputs; Optimal Input Combination.</p> <p>The Costs of Production: Opportunity Costs; Short and Long Runs; Returns to Scales; The Distinction between Returns to Scale and Economies of Scale. The Competitive Firm: Pricing and Output; The Meaning of Competition; The Demand Curve Facing the Perfectly Competitive Firm; Profit Maximization for the Firm in the short run; the Firm's short run Supply Curve; Firm Profits and Losses; Long run Equilibrium for the Firm; Normal vs Economics Profits.</p> <p>Monopoly Pricing and Output: The Demand Curve Facing a Monopoly; A Monopolist's Supply Curve; Monopoly Short run Profit; Measuring Monopoly Market Power; Price Discrimination.</p> <p>The Creating, Regulation, and Destruction of Monopolies: Barriers to Entry; Creation and Maintenance of Monopoly Profits; Cartels and Collusion; The Natural Monopoly; The Regulation of Monopolies.</p> <p>Monopolistic Competition and Oligopoly; Characteristics of Monopolistically Competitive Industries; Demand for the Monopolistically Competitive Firm; Equilibrium in Monopolistic Competition; The Simplest Oligopoly Model; The Cournot Duopoly Situation; Implicit Collusion; Non price competition.</p> <p>Input Demand: Demanders are Suppliers and Suppliers are Demanders; The Demand for one Variable Output; The Input Demand Curve with More than One Variable Input; The Industry Demand Curve; Input Demand by a Monopolist; Supply of a Competitive Input; The Determination of Input Price and Employment; The Determinants of Factor Demand Elasticity.</p> <p>Wages, Rents, and Income Differences: Marginal Productivity Theory; the Process of Wage Equalization; Qualitative Differences in Factors of Production; Investment in the Human Capital.</p> <p>General Equilibrium Analysis: Partial versus General Equilibrium Analysis; Exchange and the Edgeworth Box; The Production Possibilities Frontier.</p> <p>Welfare Economics: Assumptions Used in Welfare Analysis; Efficiency and the Pareto Condition; The Theory of Social Change; The Theory of the Second Best.</p> <p>Externalities, Public Goods, And Market Failure: Social Benefits and Social Costs; Social Costs and Private Costs; Public Goods.</p>
Teaching Methodology	Face to face
Bibliography	<p>Hall R. Varian: Intermediate Microeconomics, a modern approach, latest edition.</p> <p>Dominick Salvatore: Microeconomics, Oxford University Press, latest edition.</p> <p>Nicholson, W.: Intermediate Microeconomics, Dryden. Latest Edition.</p> <p>Miller, R.L. Meiners, R.E.: Intermediate Microeconomics, I.S.E, McGrawHill, latest edition.</p>

	Brian R., Elizabeth H.: Microeconomics with Calculus, Addison-Wesley, latest edition.								
Assessment	<table border="1"> <tr> <td>Examinations</td> <td>60%</td> </tr> <tr> <td>Class Participation and Attendance</td> <td>10%</td> </tr> <tr> <td>Assignments</td> <td>30%</td> </tr> <tr> <td></td> <td>100%</td> </tr> </table>	Examinations	60%	Class Participation and Attendance	10%	Assignments	30%		100%
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Language	English								