



UNIVERSITAS INDONESIA
FACULTY OF ECONOMICS AND BUSINESS
International Undergraduate Program

SYLLABUS
[ECEU600103] INTRODUCTORY MICROECONOMICS
Odd Semester – Academic Year 2022/2023
Credit: 3
Prerequisite: None

SUBJECT DESCRIPTION

This subject aims to provide an early and comprehensive overview on the basics of microeconomics. Upon taking this course, students are expected to understand basics of microeconomics, such as supply and demand, market interactions, elasticity and its applications, problems of consumers, producers, and market efficiency, market for factor inputs and income inequality, as well as various examples of government regulation in microeconomic aspect concerning price control, taxes, subsidies, and market failures that lead to inefficiencies in the market, while also discussing all political and institutional aspects of the economic analysis. In addition, students are expected to understand the role of microeconomics in everyday life and its role in the society, and are able to explain microeconomics in general by using simple mathematical formula as well as charts / graphs. This course uses active learning methods with Question Based-Learning (QB), collaborative learning, small-group discussion, and E-Learning.

SUBJECT OBJECTIVES (COMPETENCE)

ASPECT	EXPECTED LEARNING OUTCOME (ELO)/COMPETENCY	INTENSITY LEVEL
Knowledge	<u>GENERAL ECONOMIC KNOWLEDGE (GK):</u>	
	GK 1. Discussing basic economic theories using mathematical and graphical tools	Low
	GK 2. Understanding the relevance of economic theories in daily life	Low
	GK 3. Understanding the development of economic thoughts and theories and its origins	-
	GK 4. Comprehending basic economic theories and employing them to discuss real economic phenomena	Medium
	<u>SPECIFIC ECONOMIC KNOWLEDGE (SK):</u>	
	SK 1. Discussing both economic and non-economic factors in the development of economy	-
	SK 2. Discussing the developments and directions of economic policies in general	-
	SK 3. Understanding public, industrial and other specific economic theories and utilizing them to discuss economic phenomena in the	-

	related fields	
Skill	<u>GENERAL ECONOMIC SKILL (GS):</u>	
	GS 1. Accessing, processing, presenting, and interpreting economic variables and indicators	Low
	GS 2. Processing economic data using statistical/econometrical/mathematical software	-
	<u>SPECIFIC ECONOMIC SKILL (SS):</u>	
	SS 1. Analyzing the development and the direction of specific economic policies in the related fields (public, industry, etc.)	-
	SS 2. Utilizing mathematical tools to perform dynamic economic analysis	-
	SS 3. Selecting and using appropriate research methodology as tools for performing economic analysis	-
	SS 4. Analyzing the development and the direction of general economic policies in Indonesian, regional, and global economy	-
	SS 5. Scientifically writing economic analysis in essays, articles, or academic papers (writing scientific economic analysis in the forms of essays, journal articles or academic papers)	-
	<u>TRANSFERRABLE/GENERIC SKILL (TS):</u>	
	TS 1. Thinking critically, creatively, and innovatively and nurturing intellectual curiosity to solve problems at individual and group levels	High
	TS 2. Operating and utilizing information communication Technology	Low
	TS 3. Speaking and writing properly in Indonesian and English for both scientific and non-scientific purposes	High
	TS 4. Planning logical systematic writing	Medium
	TS 5. Identifying, searching, and finding relevant sources of reference for writing	-
	TS 6. Writing by using formal language and by applying scientific rules	-
Attitude & Professional Ethics	<u>TRANSFERRABLE/GENERIC ATTITUDE (TA):</u>	
	TA 1. Sensitive and responsive to any environmental, community, nation, and states problems	High
	TA 2. Full of integrity and respectful to others	High
	TA 3. Being independent in financial and thought	-

AACSB

LG (LEARNING GOALS)	LO (LEARNING OBJECTIVES)	TRAITS
BASIC KNOWLEDGE: Students understand basic business and economics concept	1.2. Demonstrate knowledge in basic theories of Economics	1.2.1. Explain the fundamental concepts of microeconomics

REFERENCES

Main Reference

1. Mankiw, Gregory N. (2021), *Principles of Economics*, 9th edition, Asia edition, CENGAGE Learning. (M)

Supporting Reference

1. Parkin, Michael, (2012), *Economics*, 10th Edition, Pearson Education Ltd., Global Edition. (P)
2. Case, Karl E., Ray C. Fair, and Sharon M. Oster (2012), *Principles of Economics*, 10th edition, Pearson. (CFO)

PERFORMANCE ASSESSMENT

ASSESSMENT COMPONENT	WEIGHT (SIAK NG)
Mid Exam - Parallel (week 1-7)	35%
Final Exam - Parallel (week 8-14)	35%
Group Assignment (2 @ 5%)	10%
Homework/class participation	10%
Quiz (2 times, one before mid-exam and one before final exam)	10%

DELIVERY MECHANISM AND TOPICS COVERED

1. Delivery of the subject materials takes the form of 14 (fourteen) lecturing sessions (weeks) of 150 minutes each and 10 (ten) tutorial sessions (weeks) of 120 minutes each.
2. Lecturing sessions comprise 2 terms. Term 1 contains topics covered in week 1 until week 7, while term 2 covers topics given in week 8 until week 14.
3. Examination comprises both mid and final exam. Mid exam covers topics given in week 1 to week 7, while final exam covers topics given in week 8 to week 14.

TERM 1 (WEEK 1 – WEEK 7)

SESSION	TOPICS	SUB-TOPICS	REFERENCE
1	The Scope, Method, and the Economic Problem	<ul style="list-style-type: none"> • Why study economics • The scope of economics • The basics principles of economics and its main problem. • Economics as social science and policy tools • Scarcity, choices, and opportunity cost 	<ul style="list-style-type: none"> • MAN (ch.1, ch.2) • CFO (ch.1, ch.2). • P (ch.1, ch.2)
2	Demand, Supply and Market Equilibrium	<ul style="list-style-type: none"> • The Law of Demand • Changes in quantity demanded and change in demand • Other determinants of household 	<ul style="list-style-type: none"> • MAN (ch.4, ch.6 p.111-120) • CFO (ch.3, ch.4) • P (ch.3)

		<ul style="list-style-type: none"> demand Shift in demand and movement along the curve The Law of Supply Changes in quantity supplied and change in supply Other determinants of supply Shift of supply curve and movement along the curve Market equilibrium Predicting changes in equilibrium price and quantity. Government policy to control prices: ceiling price and floor price 	
3	Elasticity and Its Application	<ul style="list-style-type: none"> Concept of elasticity Calculating the elasticity Demand elasticity: own price elasticity, cross price elasticity, and income elasticity. Elasticity of supply 	<ul style="list-style-type: none"> MAN (ch.5) CFO (ch.5, Appendix ch.5) P (ch.4)
4, 5	Consumer Theory	<ul style="list-style-type: none"> Utility-Maximizing Choice Prediction of Marginal Utility Theory Consumer preferences Consumer equilibrium Substitution effect and income effect 	<ul style="list-style-type: none"> MAN (ch.21) CFO (ch.6, Appendix ch.6) P (ch.8, ch.9)
6, 7	Production and Cost	<ul style="list-style-type: none"> Profit concept (profit) Production process Technical and economic efficiency Production and cost Cost measurement Short run and long run cost 	<ul style="list-style-type: none"> MAN (ch.13) CFO (ch.7, ch.8 page 199-210, ch.9, Appendix ch.9) P (ch.10 p.223-228, ch.11)
MID EXAM			

TERM 2 (WEEK 8 – WEEK 14)

SESSION	TOPICS	SUB-TOPICS	REFERENCE
8	Perfect Competition	<ul style="list-style-type: none"> The concept of perfect competition Output, price, and profit in the short run and the long run The efficiency of perfect competition (producer surplus and consumer surplus) 	<ul style="list-style-type: none"> MAN (ch.14, ch.7) CFO (ch.8 p.211-217, ch.4 p.121-125, ch.12 p.291-294) P (ch.12, ch.5 p.109-113, p.116-119)
9	Monopoly	<ul style="list-style-type: none"> The concept of monopoly Output decision in perfect competition and monopoly Efficiency comparison between perfect competition and monopoly Price discrimination Monopoly regulation Anti-trust law 	<ul style="list-style-type: none"> MAN (ch.15) CFO (ch.13) P (ch.13)
10	Monopolistic Competition	<ul style="list-style-type: none"> The concept of monopolistic competition Price and output in monopolistic competition Product development and marketing 	<ul style="list-style-type: none"> MAN (ch.16) CFO (ch.15) P (ch.14)
11	Oligopoly	<ul style="list-style-type: none"> What is oligopoly Types of oligopoly 	<ul style="list-style-type: none"> MAN (ch.17) CFO (ch.14)

		<ul style="list-style-type: none"> • Oligopoly games (prisoner's dilemma) • Anti-trust law in oligopoly 	<ul style="list-style-type: none"> • P (ch.15)
12	Markets for Factors of Production	<ul style="list-style-type: none"> • The Demand for Labor • The Supply of Labor • Equilibrium in market for factor of production • Other factor of production: Land and Capital 	<ul style="list-style-type: none"> • MAN (ch.18) • CFO (ch.10) • P (ch.18)
13	Market Efficiency, Market Failure and Government Intervention	<ul style="list-style-type: none"> • Market failure • Externality and market inefficiency • Public policy towards externality • Private solution towards externality: the Coase theorem • Public goods, free rider, common resources, tragedy of the common • The importance of property rights 	<ul style="list-style-type: none"> • MAN (ch.10, ch.11) • CFO (ch.12 p.294-296, ch.16 p.361-378, ch.17) • P (ch.5 p.113-115, ch.16, ch.17)
14	Frontier Aspects of Economic Analysis	<ul style="list-style-type: none"> • Uncertainty • Political economy (The Condorcet Voting Paradox, Arrow's Impossibility Theorem, The Median Voter Model, and Politicians and their behavior towards public policy) • Behavioral economics (Irrationality, Fairness, and Inconsistency) • Neuroeconomics 	<ul style="list-style-type: none"> • MAN (ch.22) • CFO (ch.16 p.378-381, ch.17) • P (ch.16 p.370-371, ch.20)
FINAL EXAM			

GROUP ASSIGNMENT

Students are asked to do 2 (two) group assignments during the semester, one before the mid-exam and another one before the final exam. Topics of the assignment can be taken from the topics from the Introduction to Microeconomics lectures, such as:

- ✓ Analyzing the equilibrium price formation process and identify the factors that cause changes in demand and supply. Students are asked to conduct a survey to the traditional market
- ✓ Students are asked to find several cases related to elasticity
- ✓ Students are asked to find Anti-trust law and/or regulated monopoly cases
- ✓ Students are asked to find examples of externalities (environment).

ATTENDANCE

Referring to the faculty regulation, the Program requires students to fulfill a minimum attendance of 80% to be eligible for the final exam. Thus, students should attend a minimum 11 out of 14 lecturing sessions and 8 out of 10 tutorial sessions.

ORIGINALITY

Students should maintain originality and respect intellectual property rights. Therefore, students should avoid conducting any act of plagiarism when doing written assignments (if any), which may take a form of short individual / group paper and / or summary. The followings are acts of plagiarism:

- Copying paragraphs, sentences, a single sentence, or even a significant part of a sentence directly without enclosing them in quotation marks and appropriately footnoted;
- Using and / or developing other's ideas found in printed materials or film elsewhere without explicitly referencing them to the respective author or the source of the idea.

Plagiarism is a serious infringement of intellectual property rights. **Any assignment that contains presumed plagiarism will be marked 0 (zero).**

Since students are required to write group papers, students should sign a **Statement of Authorship** and attach it to their papers before the paper submission. The form of Statement of Authorship is available at the Resource Center of the Program. Lecturer(s) and / or tutor(s) may refuse to mark any paper that has no signed Statement of Authorship attached.