

**MINISTRY OF SCIENCE AND EDUCATION OF THE REPUBLIC OF AZERBAIJAN
NAKHCHIVAN STATE UNIVERSITY**

SUBJECT SYLLABUS



Confirmation:

**E.Y. Ibrahimov / Ph.D. in Economics,
associate professor**

Date: 9th of February, 2024

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General information	Faculty	Economics and Management				
	The specialty department of the subject	Economics and Marketing				
	Specialization (code) and course in which the subject is taught	050405, I				
	Subject name	Microeconomics				
	Subject code	İF-02				
	General audience hour	116				
	General audience hour	10	Lecture	Seminar	Laboratory	Practical training
	Subject credit		58	58		
	The teaching semester of the subject	The second				
	The teaching language of the subject	English				
	Information about the teacher(s) teaching the subject	Elshan Nuraddin Nasirov				
	E-mail: Phone:	elshannasirov@ndu.edu.az (+994 50) 3580336				
Consulting hours	16 (Each Friday at 15:00)					
Prerequisites	The name of the program					
The subject program for which the syllabus is prepared	Microeconomics (SS-02)	Year		Verification information		
		2022		Protocol № 13		
Used primary and additional literature	1.1. Primary: 1. David A. Besanko & Ronald R. Braeutigam & Michael J. Gibbs: Microeconomics. USA, 2017 2. David L. Debertin: Applied Microeconomics. Lexington, Kentucky, 2012 3. RAI Technology University: Microeconomics, Dhodballapur Taluk, Bangalore, India, 2018 4. Ronald Braeutigam: Microeconomics. Wiley, Hoboken, New Jersey, USA, 2016 5. Steven A. Greenlaw & David Shapiro: Principles of Microeconomics. Washington, USA, 2011 6. R. Larry Reynolds: Basic Microeconomics. Boise State University, USA, 2018 7. Robert Hebert: Secret Origins of Modern Microeconomics, University of Chicago, USA, 1999 8. Hal R. Varian: Intermediate Microeconomics. London, England. 2019 9. Peter Dorman: Microeconomics. Olympia, WA, USA. 2018					

	<p>1.2. Additional:</p> <ol style="list-style-type: none"> 1. Paul A. Samuelson & William D. Nordhaus: Economics. Boston, USA, 2019 2. Doug Curtis & Ian Irvine: Principles of Microeconomics. Chicago, USA, 2012 3. Robert J. Carbaugh: International Economics. Library of Congress Control, USA, 2016 4. Erich A. Helfert: Financial Analysis. Tools and Techniques. Chicago, USA, 2017 5. N. Gregory Mankiw: Principles of Economics. Harvard University, 2017 6. Richard A. Brealey: Fundamentals of Corporate Finance. London Business School, 2001 7. Brealey & Myers: Principles of Corporate Finance. The McGraw–Hill Companies, 2003 8. Belverd E. Needles & Marian Powers: Financial Accounting. Cengage Learning, USA, 2012 9. Julius Drost: Microeconomics. Portland, USA, 2018
A brief description of the subject	The subject "Microeconomics" studies the behavior of individual economic units (households and firms) and the functioning of individual markets for goods and resources.
The purpose of teaching the subject	The goal of mastering the subject "Microeconomics" is the formation of students of economic culture and the ability to navigate the ongoing processes and phenomena through the knowledge of economic laws, theories and categories, as well as elements of microeconomic analysis.
Training outcomes of the subject	<p>STO 1. Students will be able to explain the essence of the role of microeconomic categories and laws in economic processes.</p> <p>STO 2. Students will be able to evaluate consumer behavior by explaining the principles of operation of market mechanism elements.</p> <p>STO 3. Students will be able to justify the role of utility in evaluation both theoretically and empirically.</p> <p>STO 4. Students will be able to justify mutual substitution by defining a new approach to factors of production in microeconomics.</p> <p>STO 5. Students will be able to evaluate the effects of competition and monopoly affecting the market behavior of firms.</p> <p>STO 6. Students will be possible to justify the need to regulate uncertainties arising in microeconomics.</p>

Competency-based learning outcomes						
Competencies of the program	Training outcomes					
General competencies						
Ability to collectively develop and implement innovative decisions aimed at ensuring and enhancing sustainability at local and higher levels.	T/o 1	T/o 2	T/o 3	T/o 4	T/o 5	T/o 6
Having the ability to adapt to new conditions, take initiative and the will to succeed.	T/o 1	T/o 2	T/o 3	T/o 4	T/o 5	T/o 6
Professional competencies						
Analyze complex systems, discover and understand relationships, understand the principles of excellence between systems in different areas and at different levels, operate in uncertain conditions.	T/o 1	T/o 2	T/o 3	T/o 4	T/o 5	T/o 6
Possess the skills to analyze, summarize and apply relevant information for professional purposes.	T/o 1	T/o 2	T/o 3	T/o 4	T/o 5	T/o 6

Teaching and learning methods: (TLM)	
TLM 1	Lecture:
	Relevant materials on the topics are prepared and applied in the audience as a discussion. This method is implemented directly under the supervision of the teacher.
TLM 2	Presentations:
	Presentations are made to students according to predetermined lecture topics and lecture topics are explained to students through slides.
TLM 3	Debates:

	By means of this method, team spirit is formed in students, they develop a more critical approach to issues, connections between all topics are established by means of counterarguments.
TLM 4	Assignments on the subject:
	According to this method, students are presented with appropriate tasks on topics prepared by the teacher before class time. Students are given a total of 30 minutes to solve the task. Then the answers are discussed based on the lesson. This method forms critical thinking skills in students.

Subject program and calendar plan

For bachelor level

Subject code: IF-02 Specialty code: 050405 Group number _____

№	THEMES OF LECTURES	Relevant learning outcome	TLM	Hours	Date	Notes
1	<p>Theme № 1. Introduction to Microeconomics Why it matters? Economic thinking. Introduction to economics. Understanding economics and scarcity. The concept of opportunity cost. Labor, markets, and trade. Microeconomics and macroeconomics. Introduction to math in economics. Economic models. Purpose of functions. Solving simple equations. Introduction to graphs in economics. Creating and interpreting graphs. Interpreting slope. Types of graphs.</p> <p>Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.2. [1. p. 6-9]</p>	T/o 1	TLM 1 TLM 2	2		
2	<p>Theme № 2. Choice in a World of Scarcity Why it matters? Choice in a world of scarcity. Introduction to the cost of choices. Budget constraints and choices. Calculating opportunity cost. Introduction to the production possibilities frontier. The production possibilities frontier. Productive efficiency and allocative efficiency. Introduction to the economic way of thinking. Rationality and self-interest. Marginal analysis. Positive and normative statements.</p> <p>Literature: 1.1. [6. p. 3-7], 1.2. [1. p. 4-9], 1.1. [1. p. 1-6]</p>	T/o 1 T/o 2	TLM 1 TLM 2	2		
3	<p>Theme № 3. Supply and Demand Why it matters? Supply and demand. Introduction to economic systems. Economic systems. Introduction to demand. What is demand? Factors affecting demand. Introduction to supply. What is supply? Factors affecting supply. Introduction to equilibrium. Equilibrium, surplus, and shortage. Changes in equilibrium. Finding equilibrium. Changes in supply and demand.</p> <p>Literature: 1.2. [6. p. 2-4], 1.1. [1. p. 2-10]</p>	T/o 3	TLM 1 TLM 2 TLM 3	2		
4	<p>Theme № 4. Applications of Supply and Demand Why it matters? Applications of supply and demand. Introduction to price ceilings and price floors. Price ceilings. Price floors. A closer look at price controls. Introduction to surplus. Trade and efficiency. Consumer & producer surplus. Inefficiency of price floors and price ceilings. Introduction to labor and financial markets. Labor and financial markets.</p> <p>Literature: 1.1. [4. p. 3-9], 1.1. [1. p. 1-4], 1.1. [1. p. 3-8]</p>	T/o 2 T/o 4	TLM 1 TLM 2 TLM 3	2		

5	<p>Theme № 5. Elasticity Why it matters? Elasticity. Introduction to elasticity. Elasticity of demand. Examples of elastic and inelastic demand. Introduction to calculating price elasticity. Calculating elasticity and percentage changes. Calculating price elasticities using the midpoint formula. Categories of elasticity. Price elasticity of supply. Introduction to elasticities in areas other than price. Income elasticity, cross-price elasticity & other types of elasticities. Introduction to price elasticity and total revenue. Elasticity and total revenue. Elasticity, costs, and customers. Tax incidence.</p> <p>Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.1. [1. p. 3-8]</p>	T/o 5	TLM 1 TLM 2	2		
6	<p>Theme № 6. Utility Why it matters? Utility. Introduction to utility and consumer equilibrium. Consumer choice and utility. Marginal utility versus total utility. Rules for maximizing utility. Introduction to changes in consumer equilibrium. Income changes and consumption choices. The foundations of the demand curve. Introduction to indifference curves. Indifference curve analysis. Introduction to behavioral economics. Behavioral economics: an alternative viewpoint.</p> <p>Literature: 1.2. [3. p. 112-114], 1.2. [3. p. 13-17], 1.2. [1. p. 2-7]</p>	T/o 6	TLM 2 TLM 3 TLM 4	2		
7	<p>Theme № 7. Production and Costs Why it matters? Production and costs. Introduction to production. What is production? The production function. Introduction to costs in the short run. Costs and profit. Costs in the short run. Average costs and curves. Introduction to production and costs in the long run. Production in the long run. Long run costs and production technology. Economies of scale. The size and number of firms in an industry.</p> <p>Literature: 1.1. [2. p. 12-14], 1.2. [1. p. 3-8], 1.1. [3. p. 113-118]</p>	T/o 1 T/o 3	TLM 1 TLM 4	2		
8	<p>Theme № 8. Perfect Competition Why it matters? Perfect competition. Introduction to perfect competition. Perfect competition. Profit maximization in a perfectly competitive market. Introduction to profit in a perfectly competitive firm. Calculating profits and losses. The shutdown point. Introduction to the long run and efficiency in perfectly competitive markets. Entry and exit decisions in the long run. Efficiency in perfectly competitive markets.</p> <p>Literature: 1.1. [6. p. 2-4], 1.2. [1. p. 6-9], 1.1. [1. p. 86-89]</p>	T/o 2 T/o 3	TLM 1 TLM 2	2		
9	<p>Theme № 9. Monopoly Why it matters? Monopoly. Introduction to monopoly. Monopolies. How monopolies form: barriers to entry. Introduction to profit and losses in monopolies. Profit maximization for a monopoly. Computing monopoly profits. The inefficiency of monopoly. Price discrimination and efficiency. Introduction to monopoly and antitrust policy. Corporate mergers. Regulating anticompetitive behavior. Regulating natural monopolies. The great deregulation experiment.</p> <p>Literature: 1.1. [6. p. 12-22], 1.1. [6. p. 4-8], 1.2. [7. p. 3-8]</p>	T/o 2 T/o 3	TLM 3 TLM 4	2		

10	<p>Theme № 10. Monopolistic Competition and Oligopoly Why it matters? Monopolistic competition and oligopoly. Introduction to monopolistically competitive industries. Monopolistic competition. Introduction to analyzing and graphing monopolistic competition. Profit maximization under monopolistic competition. Entry, exit and profits in the long run. Monopolistic competition and efficiency. Product differentiation and advertising. Introduction to oligopolies. Why do oligopolies exist? Collusion or competition? Prisoner's dilemma.</p>	T/o 4 T/o 5	TLM 1 TLM 2	2		
	Literature: 1.1. [3. p. 12-40], 1.2. [1. p. 22-28], 1.3. [8. p. 1-10]					
	<p>Theme № 11. Public Goods and Externalities Why it matters? Public goods and externalities. Introduction to public goods and externalities. Externalities. Public goods. Free riders. Introduction to positive and negative externalities. Positive externalities and technology. Negative externalities: pollution. Introduction to government involvement with externalities. Command and control regulations. How governments can encourage innovation. Market-oriented environmental tools.</p>	T/o 2 T/o 3 T/o 4	TLM 2 TLM 3 TLM 4	2		
	Literature: 1.1. [5. p. 3-4], 1.1. [7. p. 7-16], 1.1. [9. p. 3-8]					
	<p>Theme № 12. Labor Markets Why it matters? Labor markets. Introduction to labor markets. Labor markets. The demand for labor. Introduction to wages and employment in labor markets. Labor market power by employers. Labor market power by employees. Introduction to discrimination in labor markets. Employment discrimination. Immigration.</p>	T/o 3 T/o 4	TLM 3 TLM 4	2		
	Literature: 1.1. [9. p. 20-24], 1.2. [1. p. 2-16], 1.1. [1. p. 10-14]					
	<p>Theme № 13. Income Distribution Why it matters? Income distribution. Introduction to poverty. How to explain poverty and the poverty trap? How is poverty defined and how widespread is it? The poverty trap. The safety net. Introduction to the distribution of income. Measuring income inequality. Causes of growing inequality. Government policies to reduce income inequality.</p>	T/o 1 T/o 2	TLM 1 TLM 2 TLM 4	2		
	Literature: 1.2. [6. p. 11-14], 1.2. [4. p. 16-19], 1.1. [5. p. 30-38]					
	<p>Theme № 14. Globalization and Trade Why it matters? Globalization and international trade. Introduction to comparative advantage. Absolute and comparative advantage. Comparative advantage and the gains from trade. Intra-industry trade. Demand and supply analysis of international trade. Introduction to the trade barriers and protectionism. Protectionism. The tradeoffs of international trade. Introduction to trade policy and agreements. The role of the gatt in reducing barriers to trade. Trade policy: organizations and agreements.</p>	T/o 3 T/o 4	TLM 1 TLM 4	2		
	Literature: 1.1. [5. p. 25-41], 1.1. [2. p. 13-15], 1.1. [9. p. 55-58]					
	<p>Theme № 15. Exchange Rates: International Finance Why it matters? Exchange rates and international finance. Introduction to the foreign exchange market. The foreign exchange market. Extraordinary size of the foreign exchange markets. Strengthening and weakening currency. Introduction to exchange rates and purchasing power. Demand and supply shifts in foreign exchange markets. Introduction to exchange rates and the trade balance. Macroeconomic effects of exchange rates. Exchange-rate policies.</p>	T/o 1 T/o 2	TLM 3 TLM 4	2		

	Literature: 1.2. [2. p. 12-18], 1.2. [8. p. 9-17]					
	<p>Theme № 16. The Problem of Provisioning Why it matters? Social interaction. Specialization. Division of labor. Coordination of efforts. Economic activities. Production. Distribution. Consumption. Coordination, competition and cooperation. Technology. Economic decisions. Intuition. Reason and rational behavior. Rationality and information.</p> <p>Literature: 1.1. [2. p. 2-4], 1.1. [1. p. 3-8], 1.2. [1. p. 13-22]</p>	T/o 4 T/o 6	TLM 1 TLM 2 TLM 3 TLM 4	2		
	<p>Theme № 17. Introduction to Ways of Knowing Why it matters? Facts, information, knowledge and wisdom. Hypotheses, theories, laws and models. Foundations of “science”. Explanation, prediction and storytelling. Logic. Deductive reasoning. Inductive reasoning. Epistemology and economic methodology. A taxonomy of knowledge. Brief survey of epistemology. Milton Friedman. Deirdre McCloskey. Which methodology is “correct?”. The standard view of the scientific method.</p> <p>Literature: 1.1. [8. p. 17-35], 1.1. [8. p. 11-14]</p>	T/o 4 T/o 5	TLM 1 TLM 2 TLM 3	2		
	<p>Theme № 18. Individuals and Community Why it matters? Criteria for evaluation institutions and costs. Morality, justice and a stable society. Agents. Organizations and agents. Economic objectives. Criteria to evaluate ends and means. Ethics. Efficiency. Technical efficiency. Production possibilities function. Pareto efficiency. Some practical ethics.</p> <p>Literature: 1.2. [8. p. 16-28]</p>	T/o 1 T/o 2 T/o 3	TLM 2 TLM 3 TLM 4	2		
	<p>Theme № 19. Rules of the Game: Economics Systems Why it matters? Economic systems. Traditional economies. Command economies. Market. Role of government. Property rights. Domestic justice. National defense. Provision of collective or public goods. Promote competition. Safety net. Property rights and markets. Issues in property rights.</p> <p>Literature: 1.1. [2. p. 17-29], 1.2. [1. p. 33-39], 1.1. [7. p. 11-15]</p>	T/o 1 T/o 2	TLM 1 TLM 4	2		
	<p>Theme № 20. Demand and Supply in a Market System Why it matters? Demand function. Individual demand function. Market demand function. Change in quantity demand. Change in demand. Inferior, normal and superior goods. Compliments and substitutes. Expectations. Supply function. Equilibrium. Market adjustment to change. Shifts or changes in demand. Equilibrium and the market.</p> <p>Literature: 1.1. [6. p. 12-19], 1.2. [9. p. 3-8]</p>	T/o 2 T/o 3	TLM 1 TLM 2 TLM 3 TLM 4	2		
	<p>Theme № 21. Optimization of Markets Why it matters? Consumer choice and utility. Individual’s demand function. Market demand. Consumer surplus. Producer surplus. Objective, constraints and alternatives. Criteria to evaluate alternatives. Marginal analysis. Market exchange and efficiency. Prices as information.</p> <p>Literature: 1.2. [6. p. 23-44], 1.2. [1. p. 13-18]</p>	T/o 4	TLM 1 TLM 2 TLM 3 TLM 4	2		
	<p>Theme № 22. Pure Competition: “Market Power” Why it matters? Market structure. Characteristics of pure competition. The firm in pure competition. Profit maximization in the short run. Profits in long run pure competition. Monopoly & oligopoly. Profit maximization in a monopoly. Imperfect competition and monopolistic competition. Demand faced by monopolistically (imperfectly) competitive firm. Profit maximization in imperfect or monopolistic competition. Kinked demand model. Performance.</p>	T/o 4	TLM 1 TLM 2	2		

	Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8]				
	<p>Theme № 23. Market: Production and Cost Why it matters? Production unit. Production function. Time and production. Production in the short- run. Cost in market. Costs and production in the short-run. Graphical representations of production and cost relationships. Relationship of mc and avc to mpl and apl. Production and cost tables. Production and cost in the long-run.</p> <p>Literature: 1.2. [3. p. 24-48], 1.2. [4. p. 43-48]</p>	T/o 2 T/o 3	TLM 2 TLM 3 TLM 4	2	
	<p>Theme № 24. Distribution of Income Why it matters? The demand for inputs. Derived demand. The marginal revenue product. Measure of the value of the output. Firms with negatively sloped demand. Supply of inputs. The supply of labor. Market for inputs. Income distribution. The constant price at all levels of output.</p> <p>Literature: 1.1. [9. p. 12-33], 1.1. [4. p. 8-12], 1.1. [8. p. 44-54]</p>	T/o 4 T/o 5	TLM 3 TLM 4	2	
	<p>Theme № 25. Property Rights and Markets Why it matters? Private property rights. Marginal costs and marginal benefits. The existence of market power. Transferability. Enforceability. Exclusivity. “Market failure” and property rights. Externalities. Public or collective goods. Common property.</p> <p>Literature: 1.2. [1. p. 111-114], 1.1. [4 p. 5-12], 1.1. [5. p. 16-19]</p>	T/o 1 T/o 2	TLM 3 TLM 4	2	
	<p>Theme № 26. Costs and Cost Minimization Why it matters? Cost concepts for decision making. Opportunity cost. Economic versus accounting costs. The cost-minimization problem. Long run versus short run. The long-run cost-minimization problem. Long-run cost-minimization problem. Corner point solutions. Comparative statics analysis of the cost-minimization problem. Comparative statics analysis of changes in input prices.</p> <p>Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.1. [1. p. 3-8]</p>	T/o 3 T/o 4 T/o 5	TLM 1 TLM 2 TLM 3 TLM 4	2	
	<p>Theme № 27. Perfectly Competitive Markets Why it matters? Concept and definition of perfect competition. What is perfect competition? Profit maximization by a price-taking firm. Economic profit versus accounting profit. The profit-maximizing output choice for a price-taking firm. How the market price is determined? The price-taking firm’s short-run cost structure. When all fixed costs are sunk. Short-run market supply curve. Short-run perfectly competitive equilibrium.</p> <p>Literature: 1.1. [8. p. 112-134], 1.1. [9. p. 16-28], 1.2. [1. p. 21-26]</p>	T/o 4 T/o 5	TLM 1 TLM 2 TLM 3	2	
	<p>Theme № 28. Capturing Surplus Why it matters? Concept of capturing surplus. First-degree price discrimination. Second-degree price. Quantity discounts. Block pricing. Subscription and usage charges. Third-degree price discrimination. Prices for different market segments. Two different segments, two different prices. Screening. Third-degree price discrimination with capacity.</p> <p>Literature: 1.2. [6. p. 9-17], 1.2. [8. p. 67-69]</p>	T/o 1 T/o 3	TLM 1 TLM 3 TLM 4	2	
	<p>Theme № 29. Risk and Information Why it matters? Describing risky outcomes. Lotteries and probabilities. Expected value. Variance. Evaluating risky outcomes. Utility functions and risk preferences. Risk-neutral and risk-loving preferences. Bearing and eliminating risk. Risk</p>	T/o 5 T/o 6	TLM 1 TLM 2 TLM 3 TLM 4	2	

	premium. The demand for insurance. Analyzing risky decisions.					
	Literature: 1.2. [6. p. 10-18], 1.2. [1. p. 3-8], 1.2. [9. p. 23-28]					
Total				58		

№	THEMES OF SEMINARS (PLAN)	Relevant learning outcome	TLM	Hours	Date	Notes
1	Theme № 1. Introduction to Microeconomics 1. Economic thinking. 2. The concept of opportunity cost. Labor, markets, and trade. 3. Introduction to math in economics. 4. Economic models. 5. Creating and interpreting graphs. Interpreting slope.	T/o 1	TLM 1 TLM 2	2		
	Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.2. [1. p. 6-9]					
2	Theme № 2. Choice in a World of Scarcity 1. Choice in a world of scarcity. 2. Budget constraints and choices. Calculating opportunity cost. 3. Productive efficiency and allocative efficiency. 4. Rationality and self-interest. Marginal analysis. 5. Positive and normative statements.	T/o 1 T/o 2	TLM 1 TLM 2	2		
	Literature: 1.1. [6. p. 3-7], 1.2. [1. p. 4-9], 1.1. [1. p. 1-6]					
3	Theme № 3. Supply and Demand 1. Supply and demand. 2. Introduction to demand. What is demand? 3. Factors affecting demand. Introduction to supply. 4. Factors affecting supply. 5. Equilibrium, surplus, and shortage. 6. Changes in supply and demand.	T/o 3	TLM 1 TLM 2 TLM 3	2		
	Literature: 1.2. [6. p. 2-4], 1.1. [1. p. 2-10]					
4	Theme № 4. Applications of Supply and Demand 1. Applications of supply and demand. 2. Price ceilings. Price floors. A closer look at price controls. 3. Trade and efficiency. 4. Labor and financial markets.	T/o 2 T/o 4	TLM 1 TLM 2 TLM 3	2		
	Literature: 1.1. [4. p. 3-9], 1.1. [1. p. 1-4], 1.1. [1. p. 3-8]					
5	Theme № 5. Elasticity 1. Elasticity. Introduction to elasticity. 2. Elasticity of demand. 3. Calculating elasticity and percentage changes. 4. Calculating price elasticities using the midpoint formula. 5. Income elasticity, cross-price elasticity. 6. Elasticity, costs, and customers. Tax incidence.	T/o 5	TLM 1 TLM 2	2		
	Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.1. [1. p. 3-8]					
6	Theme № 6. Utility Why it matters? Utility. Introduction to utility and consumer equilibrium. Consumer choice and utility. Marginal utility versus total utility. Rules for maximizing utility. Introduction to changes in consumer equilibrium. Income changes and consumption choices. The foundations of the demand curve. Introduction to indifference curves. Indifference curve analysis. Introduction to behavioral economics. Behavioral economics: an alternative viewpoint.	T/o 6	TLM 2 TLM 3 TLM 4	2		

	Literature: 1.2. [3. p. 112-114], 1.2. [3. p. 13-17], 1.2. [1. p. 2-7]					
7	Theme № 7. Production and Costs 1. Production and costs. 2. The production function. 3. Costs and profit. Costs in the short run. 4. Average costs and curves. 5. Long run costs and production technology. 6. The size and number of firms in an industry.	T/o 1 T/o 3	TLM 1 TLM 4	2		
	Literature: 1.1. [2. p. 12-14], 1.2. [1. p. 3-8], 1.1. [3. p. 113-118]					
8	Theme № 8. Perfect Competition 1. Perfect competition. 2. Profit maximization in a perfectly competitive market. 3. Calculating profits and losses. 4. Entry and exit decisions in the long run. 5. Efficiency in perfectly competitive markets.	T/o 2 T/o 3	TLM 1 TLM 2	2		
	Literature: 1.1. [6. p. 2-4], 1.2. [1. p. 6-9], 1.1. [1. p. 86-89]					
9	Theme № 9. Monopoly 1. Monopoly. Introduction to monopoly. Monopolies. 2. Introduction to profit and losses in monopolies. 3. Profit maximization for a monopoly. 4. Computing monopoly profits. 5. Price discrimination and efficiency. 6. Introduction to monopoly and antitrust policy. 7. Corporate mergers.	T/o 2 T/o 3	TLM 3 TLM 4	2		
	Literature: 1.1. [6. p. 12-22], 1.1. [6. p. 4-8], 1.2. [7. p. 3-8]					
10	Theme № 10. Monopolistic Competition and Oligopoly 1. Monopolistic competition and oligopoly. 2. Monopolistic competition. 3. Profit maximization under monopolistic competition. 4. Product differentiation and advertising. 5. Prisoner's dilemma.	T/o 4 T/o 5	TLM 1 TLM 2	2		
	Literature: 1.1. [3. p. 12-40], 1.2. [1. p. 22-28], 1.3. [8. p. 1-10]					
	Theme № 11. Public Goods and Externalities 1. Public goods and externalities. 2. Externalities. Public goods. Free riders. 3. Positive and negative externalities. 4. Command-and- control regulation. 5. Market-oriented environmental tools.	T/o 2 T/o 3 T/o 4	TLM 2 TLM 3 TLM 4	2		
	Literature: 1.1. [5. p. 3-4], 1.1. [7. p. 7-16], 1.1. [9. p. 3-8]					
	Theme № 12. Labor Markets 1. Labor markets. Introduction to labor markets. 2. The demand for labor. 3. Labor market power by employers. 4. Employment discrimination. 5. Immigration.	T/o 3 T/o 4	TLM 3 TLM 4	2		
	Literature: 1.1. [9. p. 20-24], 1.2. [1. p. 2-16], 1.1. [1. p. 10-14]					
	Theme № 13. Income Distribution 1. Income distribution. 2. The poverty trap. 3. The safety net. 4. Causes of growing inequality. 5. Government policies to reduce income inequality.	T/o 1 T/o 2	TLM 1 TLM 2 TLM 4	2		
	Literature: 1.2. [6. p. 11-14], 1.2. [4. p. 16-19], 1.1. [5. p. 30-38]					

<p>Theme № 14. Globalization and Trade</p> <ol style="list-style-type: none"> 1. Globalization and international trade. 2. Absolute and comparative advantage. 3. Comparative advantage and the gains from trade. 4. The trade barriers and protectionism. 5. Trade policy: organizations and agreements. <p>Literature: 1.1. [5. p. 25-41], 1.1. [2. p. 13-15], 1.1. [9. p. 55-58]</p>	<p>T/o 3 T/o 4</p>	<p>TLM 1 TLM 4</p>	<p>2</p>		
<p>Theme № 15. Exchange Rates: International Finance</p> <ol style="list-style-type: none"> 1. Exchange rates and international finance. 2. The foreign exchange market. 3. Extraordinary size of the foreign exchange markets. 4. Demand and supply shifts in foreign exchange markets. 5. Exchange-rate policies. <p>Literature: 1.2. [2. p. 12-18], 1.2. [8. p. 9-17]</p>	<p>T/o 1 T/o 2</p>	<p>TLM 3 TLM 4</p>	<p>2</p>		
<p>Theme № 16. The Problem of Provisioning</p> <ol style="list-style-type: none"> 1. Social interaction. Specialization. 2. Division of labor. Coordination of efforts. 3. Economic activities. 4. Production. Distribution. Consumption. <p>Literature: 1.1. [2. p. 2-4], 1.1. [1. p. 3-8], 1.2. [1. p. 13-22]</p>	<p>T/o 4 T/o 6</p>	<p>TLM 1 TLM 2 TLM 3 TLM 4</p>	<p>2</p>		
<p>Theme № 17. Introduction to Ways of Knowing</p> <ol style="list-style-type: none"> 1. Facts, information, knowledge and wisdom. 2. Hypotheses, theories, laws and models. 3. Foundations of “science”. 4. Explanation, prediction and storytelling. 5. Logic. Deductive reasoning. Inductive reasoning. 6. Epistemology and economic methodology. 7. A taxonomy of knowledge. 8. Brief survey of epistemology. <p>Literature: 1.1. [8. p. 17-35], 1.1. [8. p. 11-14]</p>	<p>T/o 4 T/o 5</p>	<p>TLM 1 TLM 2 TLM 3</p>	<p>2</p>		
<p>Theme № 18. Individuals and Community</p> <ol style="list-style-type: none"> 1. Criteria for evaluation institutions and costs. 2. Morality, justice and a stable society. Agents. 3. Organizations and agents. Economic objectives. 4. Criteria to evaluate ends and means. 5. Ethics. Efficiency. Technical efficiency. 6. Production possibilities function. 7. Pareto efficiency. Some practical ethics. <p>Literature: 1.2. [8. p. 16-28]</p>	<p>T/o 1 T/o 2 T/o 3</p>	<p>TLM 2 TLM 3 TLM 4</p>	<p>2</p>		
<p>Theme № 19. Rules of the Game: Economics Systems</p> <ol style="list-style-type: none"> 1. Economic systems. 2. Traditional economies. Command economies. 3. Market. Role of government. Property rights. 4. Provision of collective or public goods. 5. Safety net. Property rights and markets. <p>Literature: 1.1. [2. p. 17-29], 1.2. [1. p. 33-39], 1.1. [7. p. 11-15]</p>	<p>T/o 1 T/o 2</p>	<p>TLM 1 TLM 4</p>	<p>2</p>		
<p>Theme № 20. Demand and Supply in a Market System</p> <ol style="list-style-type: none"> 1. Demand function. Individual demand function. 2. Market demand function. 3. Change in quantity demand. Change in demand. 4. Inferior, normal and superior goods. 5. Compliments and substitutes. Expectations. 6. Supply function. Equilibrium. 7. Equilibrium and the market. <p>Literature: 1.1. [6. p. 12-19], 1.2. [9. p. 3-8]</p>	<p>T/o 2 T/o 3</p>	<p>TLM 1 TLM 2 TLM 3 TLM 4</p>	<p>2</p>		

<p>Theme № 21. Optimization of Markets</p> <ol style="list-style-type: none"> 1. Consumer choice and utility. Individual's demand function. 2. Producer surplus. 3. Objective, constraints and alternatives. 4. Criteria to evaluate alternatives. 5. Marginal analysis. Market exchange and efficiency. 6. Prices as information. 	T/o 4	TLM 1 TLM 2 TLM 3 TLM 4	2		
Literature: 1.2. [6. p. 23-44], 1.2. [1. p. 13-18]					
<p>Theme № 22. Pure Competition: "Market Power"</p> <ol style="list-style-type: none"> 1. Market structure. Characteristics of pure competition. 2. The firm in pure competition. 3. Profit maximization in the short run. 4. Profits in long run pure competition. 5. Monopoly & oligopoly. 	T/o 4	TLM 1 TLM 2	2		
Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8]					
<p>Theme № 23. Market: Production and Cost</p> <ol style="list-style-type: none"> 1. Production unit. Production function. 2. Time and production. 3. Graphical representations of production. 4. Production and cost tables. 	T/o 2 T/o 3	TLM 2 TLM 3 TLM 4	2		
Literature: 1.2. [3. p. 24-48], 1.2. [4. p. 43-48]					
<p>Theme № 24. Distribution of Income</p> <ol style="list-style-type: none"> 1. The demand for inputs. Derived demand. 2. The marginal revenue product. 3. Measure of the value of the output. 4. Firms with negatively sloped demand. 5. Supply of inputs. 6. The supply of labor. 7. The constant price at all levels of output. 	T/o 4 T/o 5	TLM 3 TLM 4	2		
Literature: 1.1. [9. p. 12-33], 1.1. [4. p. 8-12], 1.1. [8. p. 44-54]					
<p>Theme № 25. Property Rights and Markets</p> <ol style="list-style-type: none"> 1. Private property rights. 2. Marginal costs and marginal benefits. 3. The existence of market power. 4. Transferability. Enforceability. Exclusivity. 5. Externalities. Public or collective goods. Common property. 	T/o 1 T/o 2	TLM 3 TLM 4	2		
Literature: 1.2. [1. p. 111-114], 1.1. [4 p. 5-12], 1.1. [5. p. 16-19]					
<p>Theme № 26. Costs and Cost Minimization</p> <ol style="list-style-type: none"> 1. Cost concepts for decision making. 2. Economic versus accounting costs. 3. The cost-minimization problem. 4. Long run versus short run. 5. The long-run cost-minimization problem. 6. Long-run cost-minimization problem. 7. Comparative statics analysis of changes in input prices. 	T/o 3 T/o 4 T/o 5	TLM 1 TLM 2 TLM 3 TLM 4	2		
Literature: 1.1. [6. p. 2-4], 1.1. [1. p. 3-8], 1.1. [1. p. 3-8]					
<p>Theme № 27. Perfectly Competitive Markets</p> <ol style="list-style-type: none"> 1. Concept and definition of perfect competition. 2. Profit maximization by a price-taking firm. 3. Economic profit versus accounting profit. 4. The profit-maximizing output choice for a price-taking firm. 5. Short-run market supply curve. 6. Short-run perfectly competitive equilibrium. 7. The price-taking firm's short-run cost structure. 	T/o 4 T/o 5	TLM 1 TLM 2 TLM 3	2		
Literature: 1.1. [8. p. 112-134], 1.1. [9. p. 16-28], 1.2. [1. p. 21-26]					

Theme № 28. Capturing Surplus 1. Concept of capturing surplus. 2. First-degree price discrimination. Second-degree price. 3. Subscription and usage charges. 4. Third-degree price discrimination. 5. Prices for different market segments. 6. Third-degree price discrimination with capacity.	T/o 1 T/o 3	TLM 1 TLM 3 TLM 4	2		
Literature: 1.2. [6. p. 9-17], 1.2. [8. p. 67-69]					
Theme № 29. Risk and Information 1. Describing risky outcomes. 2. Lotteries and probabilities. 3. Expected value. Variance. Evaluating risky outcomes. 4. Utility functions and risk preferences. 5. Risk-neutral and risk-loving preferences. 6. Bearing and eliminating risk. Risk premium. 7. The demand for insurance. Analyzing risky decisions.	T/o 5 T/o 6	TLM 1 TLM 2 TLM 3 TLM 4	2		
Literature: 1.2. [6. p. 10-18], 1.2. [1. p. 3-8], 1.2. [9. p. 23-28]					
Total			58		

Rules:
The requirement for organizing a lecture class:
<ul style="list-style-type: none"> ✓ General information related to the subject (syllabus, lecture texts, slides, video files and other theoretical training materials) must be delivered to students through the LMS portal within the first 10 days of the beginning of the educational process.
Requirements for the organization of a workshop (seminar) class:
<ul style="list-style-type: none"> ✓ When organizing classes (seminars), different teaching methods should be used. These methods should promote a student-centered approach and the active role of the student in the learning process. Teaching and learning methods that can be used are reflected in the Teaching and Learning section (Section 4) of the educational programs of each specialty. ✓ During the seminar sessions, students' mastery of the previous topic should be evaluated in each lesson by conducting an oral and written survey. ✓ At the end of the semester, the joint grade of the students for the workshop (seminar) lesson should be calculated (Activity).
The requirement for performing free works (individual):
Subjects and submission dates of the free work (the free work can consist of a single topic, provided that the topic covers 70% of the content of the subject). During the semester, the completion of free (individual) topics must be given by the student in the form of presentations. No more than 15 minutes should be allocated to the discussion of free work. The presentation itself (presentation) must be submitted in electronic and printed version.
Requirements for holding colloquiums:
3 colloquiums are held during the semester. Depending on the topic, the teacher can freely choose the form of the colloquiums (oral, written, quiz, comparison table, etc.).

Assessment and distribution of points during the semester:	Maximum points earned during the semester	50 points
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	<p style="text-align: center;">For class attendance. Attendance requirements.</p> <p>The maximum score for class attendance is 10 points. The amount of points is usually 10 points if the student attends all classes in the subject during the semester. During the semester, 1 point is deducted for every 10% of the hours allocated to teaching the subject. If the total number of hours of lessons missed during the semester for all subjects exceeds the limit specified in the normative documents, the student is not admitted to the exam session and a certain decision is made about him (her).</p>	10 points	
	Maximum points for free work of students	10 points	
	According to the results of the seminar (exercise) or laboratory lessons (in the case that both seminar, practical (exercise) and laboratory lessons are planned for the same subject, a maximum of 10 points is allocated to each of them). Maximum 30 points in total). If there are no practical and laboratory exercises, the seminar score is evaluated with a maximum of 30 points based on the appropriate assessment.	30 points	
Assessment according to semester exam	The form of the exam can be written, oral, practical or test		
	<p>There are 5 questions in each ticket.</p> <p>A maximum of 10 points is awarded to each question</p> <p>By electronic test method - 50 tests</p> <p>Each test - a maximum of 1 point.</p> <p>Note: The student's score in the exam should not be less than 17.</p>		
Final assessment	<p>The student's final knowledge is evaluated with a maximum of 100 points. The maximum 50 points the student collects during the semester, and the maximum 50 points in the exam.</p> <p>According to the final amount of points collected during the semester for the subject, the student's knowledge is evaluated according to the European Credit Transfer System (ECTS) as follows:</p>		
	91-100 points	excellent	A
	81-90	very Good	B
	71-80	good	C
	61-70	enough	D
	51-60	satisfactory	E
	Less than 51	insufficient	F
Violation of the rules of conduct	If a student violates the internal disciplinary rules of the university, measures are taken in accordance with the regulations of the university.		

Assessment reliability of training outcomes							
№	Exam Questions	Training outcomes					
		1	2	3	4	5	6
1	Microeconomic concepts	+					
2	Basic principles of microeconomics	+	+				
3	10 main principles of microeconomics		+	+			
4	Microeconomics and macroeconomics: Differences			+			
5	Tools of microeconomics and Microeconomic theory			+			

6	Choice in a world of scarcity				+		
7	Demand-induced scarcity				+		
8	Supply-induced scarcity				+		
9	Structural scarcity				+		
10	Budget constraints and choices			+	+		
11	Equilibrium, surplus, and shortage			+			
12	Demand and Supply			+		+	
13	Surplus or Excess Supply			+		+	
14	Shortage or Excess Demand			+		+	
15	Equilibrium and Economic Efficiency			+		+	
16	Applications of supply and demand			+			+
17	Price ceilings and price floors						+
18	Shortage and surplus		+				+
19	Price controls		+				+
20	Binding price ceiling		+				+
21	Elasticity of Demand		+				+
22	Elastic and Inelastic Demand						+
23	Calculating price elasticity		+				
24	Calculating elasticity and percentage changes		+	+			
25	Inelastic, Elastic, and Unitary Demand			+			
26	Types of Utility			+			
27	Changes in consumer equilibrium			+			
28	Income changes and consumption choices			+			
29	How changes in income affect consumer choices			+			
30	How price changes affect consumer choices			+			
31	Production and Costs			+	+	+	
32	Factors of Production			+	+	+	
33	Average and Marginal Costs			+	+	+	
34	Short-Run Costs			+	+	+	
35	Long-Run Costs		+	+	+	+	
36	Perfect competition		+	+	+		
37	How perfectly competitive firms make output decisions		+	+	+		
38	Determining the highest profit	+	+				
39	Total revenue and total cost	+					
40	Average cost	+					
41	Monopoly	+				+	
42	Types of Monopolies	+				+	
43	Profit maximization for a monopoly	+				+	+
44	Total cost and total revenue for a monopolist	+					+
45	Marginal revenue and marginal cost for a monopolist						+
46	Monopolistic competition and oligopoly						+
47	Differentiated Products						+
48	How a monopolistic competitor determines how much to produce?						+
49	Why do oligopolies exist?						+
50	Oligopoly Models				+		+

51	Public goods and externalities				+		
52	Negative externalities				+		
53	Positive externalities			+	+		
54	Characteristics of public goods	+		+	+		
55	Three basic cases of consume of public goods	+		+			
56	Labor Markets	+		+			
57	Four Categories of Labor	+					
58	Discrimination in labor markets	+					
59	Demand side sources	+					
60	Supply side sources	+					
61	Income distribution	+			+	+	
62	How does income distribution affect the economy?	+			+	+	
63	Why is income distribution an important policy issue?				+	+	
64	What factors affect income distribution?				+	+	
65	What are the 5 reasons for income inequality?				+	+	
66	Globalization and Trade				+	+	
67	Absolute and Comparative Advantage					+	+
68	Trade and Incomes					+	+
69	Intra-Industry Trade					+	+
70	What happens when a country has an absolute advantage?		+	+		+	+
71	The Foreign Exchange Market		+	+			
72	Demanders and suppliers of currency in foreign exchange markets		+	+			
73	Foreign direct investment (FDI)	+	+				
74	Portfolio investment	+	+				
75	Participants in the exchange rate market	+	+				
76	The Problem of provisioning	+	+				
77	The problem of scarcity	+	+				
78	Coordination of efforts	+	+				
79	Coordination, Competition and Cooperation	+	+	+	+		
80	Reason and Rational Behavior			+	+		
81	Facts, information, knowledge and wisdom in microeconomics			+	+		
82	Explanation, prediction and storytelling in microeconomics			+	+		
83	Deductive reasoning in microeconomics			+	+	+	
84	Inductive reasoning in microeconomics			+	+	+	
85	Epistemology and economic methodology in microeconomics					+	
86	Individuals and community					+	
87	Institutions and costs					+	
88	Morality, justice and a stable society					+	
89	Organizations and agents					+	
90	Economic objectives					+	
91	Economic systems					+	
92	Traditional economies				+	+	+
93	Promote competition				+	+	+
94	Provision of collective or public goods				+	+	+
95	Property rights and markets				+	+	+

96	Demand and Supply in a Market System				+	+	+
97	Individual demand function				+	+	+
98	Market demand function				+	+	+
99	Compliments and substitutes				+	+	+
100	Market adjustment to change				+	+	+
101	Optimization of Markets				+	+	+
102	Objective, constraints and alternatives				+	+	+
103	Criteria to evaluate alternatives	+			+	+	+
104	Marginal analysis	+					
105	Market exchange and efficiency	+					
106	Pure competition	+					
107	Characteristics of pure competition		+	+	+		
108	The firm in pure competition		+	+	+		
109	Profit maximization in the short run				+	+	
110	Profits in long run pure competition				+	+	
111	Production Unit				+	+	
112	Production Function				+	+	
113	Cost in Market				+	+	
114	Costs and Production in the Short-Run				+	+	
115	Graphical Representations of Production and Cost Relationships				+	+	
116	The Demand for Inputs		+	+	+	+	
117	The marginal revenue product		+				
118	Measure of the value of the output		+				
119	Firms with negatively sloped demand		+				
120	The constant price at all levels of output		+				
121	Distribution of Income		+				
122	Property Rights and Markets		+				
123	Private Property Rights		+		+		
124	Marginal costs and marginal benefits				+		
125	The existence of market power				+		
126	Transferability, Enforceability, Exclusivity				+		
127	Costs and cost minimization				+		
128	Cost concepts for decision making				+		
129	The cost-minimization problem				+		
130	Corner point solutions					+	+
131	Comparative statics analysis of the cost-minimization problem					+	+
132	Comparative statics analysis of changes in input prices					+	+
133	Perfectly competitive markets					+	+
134	Profit maximization by a price-taking firm					+	+
135	Economic profit versus accounting profit					+	+
136	The profit-maximizing output choice for a price-taking firm					+	+
137	How the market price is determined?					+	+
138	The price-taking firm's short-run cost structure					+	+
139	Short-run perfectly competitive equilibrium					+	+
140	Capturing surplus			+	+		

141	Quantity discounts			+			
142	Block pricing			+			
143	Subscription and usage charges						
144	Prices for different market segments		+	+			
145	Third-degree price discrimination with capacity	+	+				
146	Risk and information				+	+	
147	Describing risky outcomes				+	+	
148	Evaluating risky outcomes				+	+	
149	Utility functions and risk preferences					+	+
150	Risk-neutral and risk-loving preferences		+	+		+	+

Evaluation of the teaching results of the subject:

Assessing the outcomes of the subject taught to students involves assessing not only students' knowledge, but also their skills, understanding and application of the material. Different forms of assessment are taken into account here and students are assessed in the following ways:

1. Exams and tests: Midterm exams, midterms, and final exams: Traditional written assessments measure students' understanding of key concepts and their ability to recall information.
2. Research Papers and Essays: Helps assess students' ability to conduct research, analyze data, and communicate effectively.
3. Participation in class discussions: Assess the extent to which students actively contribute to class discussions, ask questions, and engage with the material.
4. Group activities: Assess cooperation and teamwork skills through group projects or presentations.
5. Homework: Regular assignments can provide ongoing feedback on student progress.
6. In-Class Assessments: Quick question-and-answer assessments during class time to gauge understanding.
7. Demonstrations or presentations: To assess communication and presentation skills.

Lecturer: _____ **Elshan Nuraddin Nasirov**

Seminar teacher: _____ **Elshan Nuraddin Nasirov**

Head of Department: _____ **Eltun Yulat Ibrahimov / Ph.D. in Economics, associate professor**

Work-study program (syllabus) was discussed and approved at the meeting of the Department on 9th of February, 2024 (Protocol No. 6)

Work-study program (syllabus) was approved at the meeting of the Scientific Council of the Faculty on 12th of February, 2024 (Protocol No. 6)

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