



THE FISHER VALLEY COLLEGE, INC.  
"A Christ-centered Institution"  
**COLLEGE OF BUSINESS ADMINISTRATION AND ACCOUNTANCY**  
No. 5, Manuel L. Quezon St., Hagonoy, Taguig City, 1632 Philippines  
(02) 8401-6751 \* [www.tfvc.edu.ph](http://www.tfvc.edu.ph) \* [www.tfvcdbaa.weebly.com](http://www.tfvcdbaa.weebly.com)  
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## **COURSE SYLLABUS**

### **BM201**

# **BASIC MICROECONOMICS**

## **1<sup>ST</sup> Semester, A.Y. 2021-2022**

### **Friday, 10:00-1:00**

**Google Meet Link:** <https://meet.google.com/bnp-nion-onu>

**Marlon B. Raquel, JD, DBAc, LPT**  
Professor

**COURSE DESCRIPTION:** This course introduces the student to the three pillars of economic analysis (choice, scarcity, and coordination) and the mathematical techniques that economists use to represent these ideas (optimization, equilibrium, and adding-up constraints). Most of the course is devoted to price theory, elasticity, price regulation and consumer choice, which is the analysis of the role that price play in facilitating coordination in a market economy. The last part of the course deals with situations where coordination through prices may not result in desirable outcomes. This includes market structures: competition and monopoly and monopolistic competition and oligopoly. Introduction to business organizations will also be given attention in the last part of the course.

By the end of the course, students will be able to:

1. Demonstrate knowledge of the basic mechanism by which the economic system works, including various approaches to the organization of production and the allocation of resources;
2. Demonstrate knowledge of the relationship between Utility Theory and the Model and Supply and Demand;
3. Demonstrate knowledge of the Production Function and its applicability to short-run output and the Theory of Cost;
4. Demonstrate knowledge of Returns to Scale and their application to long-run production and cost;



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5. Demonstrate knowledge of the outcome and pricing decisions a real-world firm faces under differing market conditions;

6. Identify the tools of microeconomic analysis and analyze and formulate possible solutions to contemporary economic and social issues such as agricultural production, world food problems, poverty and the distribution of income, the energy crisis and environmental pollution.

**COURSE OUTLINE AND TIME FRAME:**

**1<sup>ST</sup> WEEK INTRODUCTION**

Getting to Know Each Other

Course Orientation and Discussion of Syllabus

Economics as a Field of Discipline in Light of the Changes in  
Philippine Education Curriculum vis-à-vis K to 12 Program  
and ASEAN Integration

**2<sup>ND</sup> AND 3<sup>RD</sup> WEEK RESOURCE UTILIZATION AND ECONOMICS**

Economics Defined

Scarcity: The Central Problem of

Economics Factors of Production

Circular Flow Model

The Concept of Opportunity Cost

Basic Decision Problems

Four Basic Economic

Questions The Three E's in

Economics

Economic Analysis: Positive and Normative

Economics Ceteris Paribus

Microeconomics and Macroeconomics

Types of Economic Systems

Important Economic Terms

➤ Wealth

➤ Consumption

➤ Production

➤ Exchange I

➤ Distribution



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**4<sup>TH</sup> & 5<sup>TH</sup> WEEK: BASIC ANALYSIS OF DEMAND AND SUPPLY**

- Demand
- Market
- Methods of Demand Analysis
- Change in Quantity Demanded vs. Change in Demand
- Forces that Cause the Demand Curve to Change
- Practical Application of the Concept of Change in Quantity Demanded and Change in Demand
- Supply
- Methods of Supply Analysis
- Change in Quantity Supplied vs. Change in Supply
- Forces that Cause the Supply Curve to Change
- Market Equilibrium and Disequilibrium
- What happens when there is market disequilibrium?
- Changes in Demand, Supply, and Equilibrium
- Price Controls : Floor Price and Price Ceiling
- Market Equilibrium : A Mathematical Approach

**6<sup>TH</sup> AND 7<sup>TH</sup> WEEK: CONCEPT OF ELASTICITY**

- Elasticity of Demand
- Price of Elasticity of Demand
- Interpretation of the Elasticity Coefficient
- Income Elasticity of Demand
- Cross Price Elasticity of Demand
- Elasticity of Supply

**8<sup>TH</sup> AND 9<sup>TH</sup> WEEK: CONSUMER CHOICE AND UTILITY MAXIMIZATION**

- The Consumer
- Goods and Services
  - Consumer Goods
  - Essential or Necessity Goods
  - Luxury Goods
  - Economic and Free good
- Consumer Tastes and Preferences
- Maslow's Hierarchy of Needs
- The Economics of Satisfaction
  - Utility Theory
  - Marginal Utility



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- Total Utility
- Mathematical Derivation and Marginal Utility
- Graphical Illustration of Total Utility and Marginal Utility
  - Total Utility Curve
  - Marginal Utility Curve
- Consumer Surplus
- The Indifference Curve
- Marginal Rate of Substitution
- Budget Line
- Purpose of Budget

## **10<sup>TH</sup> WEEK MIDTERM EXAMINATION**

### **11<sup>TH</sup> & 12<sup>TH</sup> WEEK: THE PRODUCTION AND COST**

- Production , Input, and Output
- Technology: Labor Intensive or Capital Intensive
- The Short Run versus Long Run
- The Production Function
- Total, Average, and Marginal Products
- Production Concepts
  - Total Product
  - Average Product
  - Marginal Product
  - Graphical Presentation
- The Law of Diminishing Returns
  - Return of Scale
    - Constant Return to Scale
    - Increasing Return to Scale
    - Decreasing Return to Scale
- The Theory of Cost
  - Opportunity Cost
  - Explicit and Implicit Costs
  - Economic Profit
  - Fixed Cost and Cost
- Total Cost
  - Total Fixed Cost
  - Total Variable Cost
- Average Cost
  - Average Fixed Cost



- Average Variable Cost
- Average Total Cost
  
- Marginal Cost
  - Short Run Cost Schedule: Graphical Illustration The Decision to Operate or Shutdown

### **13<sup>TH</sup> WEEK: PROFIT, LOSS, AND PERFECT COMPETITION**

- The Concept of Profit Maximization
- Efficiency
- Perfect Competition Defined
  - Characteristics and Description
- The Perfect Competitor: A Price Taker, Not a Price Maker
- Efficiency, Price, and Profit

### **14<sup>TH</sup> WEEK: MONOPOLY**

- Monopoly Defined
  - Characteristics and Description
- The Graph of the Monopolist
- Calculating the Monopolist's Profit
- Natural Monopoly and Economies of Scale
- Monopoly Seen as Inefficient
- Determinants of Monopoly

### **15<sup>TH</sup> WEEK: MONOPOLISTIC COMPETITION**

- Monopolistic Competition Defined
  - Characteristics and Description
  - Market for Haircut
  - Arguments for Advertisement and Against Advertisement
- Product Differentiation and Demand Elasticity



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**16<sup>TH</sup> WEEK: OLIGOPOLY**

- Oligopoly Defined
  - Characteristics and Description
- Illustration of Oligopoly
  - The Importance of Non- price competition Under Oligopoly
  - Price Leadership-tacit Collusion
  - Explicit Collusion Under Oligopoly
  - Price Fixing
  - Possible Break-downs of Cartels
  - Size of an Oligopoly and the Market Outcome
  - Market Structure and Innovation
  - Important Developments of Market Structures

**17<sup>TH</sup> WEEK: BUSINESS ORGANIZATION**

- Forms of Business Enterprises
  - Single or Sole Proprietorship
  - Partnership
  - Corporation
    - Classification of Corporation
    - Dividends
  - Cooperatives
    - Principles of Cooperatives
    - Objectives of a Cooperative
    - Cooperative vs. Corporation

**18<sup>TH</sup> WEEK: FINAL EXAMINATION**



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## LEARNING MANAGEMENT SYSTEM:

We shall use **Moodle** as Learning Management System, thus, all lectures will be posted there. Course requirements must be submitted/uploaded in your Moodle accounts as well.

In cases where Moodle is down or is not working, submissions shall be through **Google Drive and/or Google Forms**.

For lectures and class discussions, we shall use Google Meet. Download **Google Meet** and **Google Calendar** to synchronize our meeting schedules and for the Google Meet link/code. I prefer Google Meet over other video applications because:

1. Its usage is **unlimited**. We will not be disconnected after 40 minutes;
2. It is **more secure** than other video conferencing applications in the market;
3. It is **free**.
4. In terms of data usage, it **consumes less data**. This is advantageous for students who are only relying on mobile data.

Always use your **TFVC email account** for all class-related communications. I will deny your request to join Google Meet discussions if you are using any non-TFVC email account.

If you have problems with your TFVC email or Moodle account, contact the College Office **immediately** for assistance.



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## **CLASS ETIQUETTE DURING ONLINE CLASSES:**

1. Wear an appropriate attire when attending your online classes.
2. Do not attend classes while lying in your bed, i.e., in your sleeping mode.
3. I will not require you to turn on your video during class discussions. However, when your name is called, make sure to turn on your video.
4. I will check your attendance twice which are normally conducted before and after class discussions. Sometimes, I randomly check attendance on my own without specifically calling your names just to check you are still online. Every time you leave from the meeting, I am notified.
5. If you need a 'CR break', send me a private message in the chat box.
6. In compliance with RA 10173, recording of sound and video during online classes is prohibited unless I approve it. Taking of pictures/screenshots is likewise prohibited unless there is a prior consent. You will be held liable for violation of Republic Act 10173 or the Data Privacy Act which protects the fundamental human right of privacy of individuals. All class-related materials are for classroom purposes only. Refrain from posting them in your social media accounts.





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## **COURSE REQUIREMENTS:**

<i>Requirements</i>	<i>Weight</i>	<i>Due on</i>
<b>Midterm Exam</b>	<b>25%</b>	October 15
<b>Final Exam</b>	<b>25%</b>	December 17
<b>4 Critique Essays</b>	<b>25%</b>	
Critique Essay 1	6.25%	Sept. 24
Critique Essay 2	6.25%	Oct. 15
Critique Essay 3	6.25%	Nov. 5
Critique Essay 4	<u>6.25%</u>	Dec. 3
	25.00%	
<b>Class Standing (Recitation, Attendance)</b>	<b>25%</b>	



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## REFERENCES:

Avila-Bato, M.J., et al (2015). **Microeconomics Simplified**. Kalayaan Press Marketing Enterprises, Inc: Quezon City

Any book in microeconomics

Any websites that discuss economic concepts and principles

## Notes:

**To receive a passing mark, you need to comply all requirements. Hard work always pays off.**

**Always be courteous/polite to your professor and classmates.**

**This Course Syllabus is updated as of August 16, 2021 and may be updated to suit the needs of the class.**



**PROPER WAY OF SENDING A MESSAGE TO YOUR TEACHER**

**1. START WITH A GREETING**  
*"Good morning/afternoon/evening, Ma'am/Sir."*  
AVOID STARTING YOUR MESSAGE WITH "HI", "HELLO", and "MUSTA?".

**2. INTRODUCE YOURSELF**  
*"I am (your name) of (section), your student in (subject)."*  
NOTE: YOUR TEACHER IS HANDLING MORE THAN 50 STUDENTS, HE OR SHE MIGHT NOT RECOGNIZE YOU ESPECIALLY IF YOU ARE USING A DIFFERENT NAME ON FACEBOOK.

**3. STATE THE PURPOSE OF YOUR MESSAGE**  
*"I would like to ask a question regarding..."*  
*"I was informed by my classmate that..."*

**4. ASK FOR CLARIFICATIONS**  
*"May I ask if..."*  
*"May I confirm if you have received..."*

**5. END THE CONVERSATION WITH GRATITUDE**  
*"Thank you for answering my question, Ma'am/Sir."*  
DO NOT JUST LEAVE YOUR TEACHER ON SEEN AFTER HE/SHE ANSWERED YOUR QUESTIONS.

BASIC EDUCATION

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