MGT 104

Micro Economics

What is Microeconomics?

Microeconomics is a branch of economics that focuses on the market behavior of individuals and small impacting firms in making decisions on the allocation of resources.

It studies the pattern of demand and supply as well as the determination of output and price in individual markets.

What is Microeconomics?

Economics

 The study of the allocation of scarce resources among alternative uses

Microeconomics

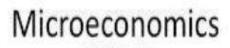
 The study of the economic choices individuals and firms make and how those choices create markets

What is microeconomics?

The branch of economics that studies decisionmaking by a single individual, household, firm, industry, or level of government

Meaning of Microeconomics

Microeconomics comprises the study and analysis of individual, firms and behavior in the process of decision-making. This section of economics spotlights on the effects and impacts of economic policies such as tax change etc. on the particular economy. The study of microeconomics includes the aspects like demand, supply, equilibrium, production possibility curve and consumer demand etc.







Microeconomics

Individual market

Effect on price of a good

Individual labour market

Individual consumer behaviour

supply of good

Macroeconomics

Whole economy (GDP0

Inflation (general price level)

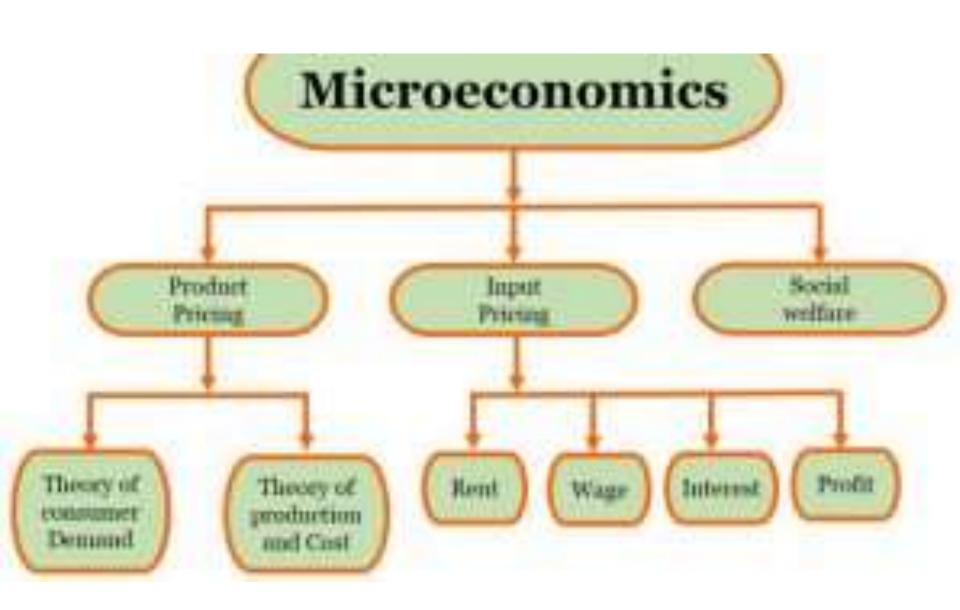
Employment/unemployment

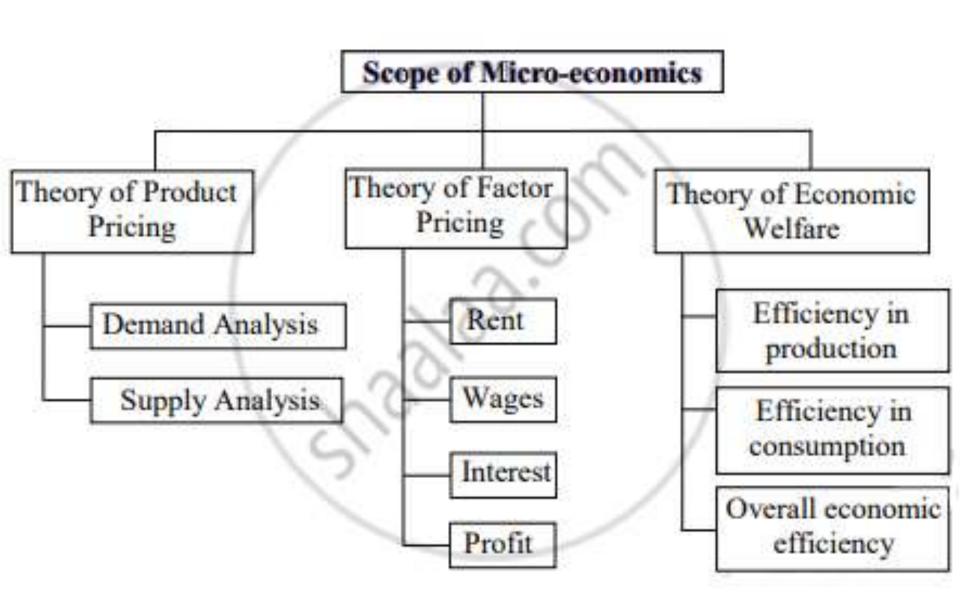
Aggregate demand (AD)

Productive capacity of economy

Research.com

Source: EconomicsHelp.org





Basic Concepts of Economics

- Needs
- Wants
- Demand
- Supply
- Demand Curve
- Supply Curve
- Market
- Types of market
- > Utility

- Consumption
- Consumer Surplus
- Law of diminishing marginal utility
- Price
- Value
- > GDP
- GNP
- Factors of Production
- National Income
- Per Capita Income