



## Syllabus

Academic course 2018-2019

General information			
Code	500004-EN	ECTS credits	6
Denomination (Spanish)	MICROECONOMIA		
Denomination (English)	MICROECONOMICS		
Degrees	-Grade in Business Administration and Management (ADE) -Grade in Economics (ECO) -Double grade in Business Administration and Management - Economics (DG ADE-ECO) -Double grade in Business Administration and Management - Law (DG ADE-DER)		
Center	Faculty of Economics and Business		
Semester	1st	Character	Basic training
Module	Basic training		
Matter	Economics		
Teacher/s			
Name	Office	Email	Page web
María del Mar Salinas	251	msalinas@unex.es	
Area of knowledge	Foundations of Economic Analysis		
Department	Economics		
Coordinator			
Skills			
<b>Skills (codes) <sup>1</sup></b>  <u>Economics</u> : CB1; CB3; CB4; CG1; CT4; CT8;CT9; CT10; CT12; CE1  <u>Administration &amp; Business Management</u> : CB1; CB3; CB4; CG1; CT2; CT7; CT14; CT17; CE1			

<sup>1</sup> The full list of skills can be found at [www.ecouex.es](http://www.ecouex.es)

<b>Contents</b>
<b>Overview</b>
<p>Economics concepts. Scarcity and choice: basic problems of economic organization. Economic models. Demand and supply and its determinants. Economic equilibrium and changes in the equilibrium: the mechanism of prices. Consumer surplus, producer surplus and total surplus. Concept and types of elasticity. Price ceiling and price floor, taxes and subsidies. Production function, diminishing marginal product and total cost curve. Various measures of costs and their shapes. Long term costs and economies of scale. The theory of consumer choice. The budget constraint. The preferences. Consumer's optimal choice. Market analysis: perfect competition, monopoly, oligopoly, and monopolistic competition.</p>
<b>Course Outline</b>
<p><b>Unit 1: Economics: Concepts and principles</b></p> <p>What is economics? Scarcity, trade-offs and opportunity cost. Production and consumption. Microeconomics and macroeconomics. Positive vs. normative analysis. Economic models. The production possibilities frontier. Forms of economic organization. Government intervention and market failures.</p>
<p><b>Unit 2: Demand, supply and market equilibrium</b></p> <p>The market. Demand. Determinants of demand. Supply. Determinants of supply. The market equilibrium. Changes in equilibrium.</p>
<p><b>Unit 3: The elasticity</b></p> <p>Concept and types of elasticity. Price elasticity of demand. Income elasticity of demand. Cross-price elasticity of demand. Price elasticity of supply.</p>
<p><b>Unit 4: Welfare measures and government intervention</b></p> <p>Consumer surplus. Producer surplus. Total surplus. Government intervention in the markets: controls on prices (price ceiling and price floor) and taxes.</p>
<p><b>Unit 5: Consumption: Consumer choice</b></p> <p>The theory of consumer choice. The budget constraint. The preferences. Consumer's optimal choice.</p>

### Unit 6: Firms: Production, costs and profits

The production function. Long term: returns to scale. Short term: productivity of a variable factor. The cost of production. Cost curve and various measures of cost. Revenues and profit.

### Unit 7: Competitive markets

Characteristics of competitive markets. The competitive firm's demand curve. The revenue of a competitive firm. Production of the firm in the short term. Profits and the firm's short-run decision to shut down. The competitive firm's supply curve in the short-term. The firm's long-run decision to exit or enter a market.

### Unit 8: Non-competitive markets: Monopoly, oligopoly and monopolistic competition

Characteristics and sources of monopoly. Monopoly's revenue. Profit maximization. Monopoly vs. perfect competition: price, quantity and welfare. Public policy toward monopolies. Oligopoly: characteristics and models. Monopolistic competition. Price discrimination.

### Teaching Activities



Student's working hours		Classroom activities		Monitoring activity	Non-classroom activities
Unit	Total	LG	S	ST	PS
1 theory	7	4			3
1 practice	2	1			1
2. theory	9	4			5
2 practice	6	2			4
3 theory	9	4			5
3 practice	6	2			4
4 theory	8	4			4
4 practice	6	2			4
5 theory	11	4			7
5 practice	6	3			4
6 theory	10	4			6
6 practice	6	2			3
7 theory	14	6			8
7 practice	10	4			6
8 theory	15	7			8
8 practice	13	5			8
Assessment	12	2			10
TOTAL	150	60			90

LG: Large Group (40 to 80 students).

S: Seminar (20 to 40 students).

ST: Scheduled Tutoring sessions (5 to 8 students)

PS: Student's Personal Study, personal or group essays, readings...

### Teaching methods

1. Lectures
2. Solving problems and/or cases
3. Assessment tests

### Learning outcomes

Knowledge and understanding of the principles of microeconomic analysis and their use for the identification and analysis of relevant economic problems.

Learn about the performance and the consequences of economic systems, the different alternatives of resources allocation, and the accumulation of wealth and income distribution. Theoretical knowledge of models and representation techniques of the economic reality, specifically, microeconomic models, the pricing system, theories of consumption and production, competitive equilibrium, non-competitive markets, economic efficiency and welfare theory. Ability to apply theoretical knowledge to the analysis of economic reality.

### Evaluation systems

There are two alternatives for assessment: continuous assessment and final examination. The assessment system and criteria are applied in each examination opportunity of the academic year.

The choice of the evaluation system corresponds to the student, who will have to communicate his/her choice to the teacher in the first 3 weeks of the semester.

#### 1) EVALUATION SYSTEM 1 (continuous assessment).

Students who habitually attend classes can opt for a continuous assessment. This system will consist of two parts: a continuous assessment and a final exam.

A) The continuous assessment part will count for 20% of the final mark. It will be based on different on-campus, classroom and non-classroom practical activities to be performed during the term.

B) A written exam will be programmed at the end of the semester. This final exam will count for 80% of the final mark. This exam will cover all the contents of the subject.

Getting at least 4.25 points in the final exam is required to pass the course, provided that the final mark (20% continuous assessment + 80% final exam) equals or exceeds 5 points.

## 2) EVALUATION SYSTEM 2 (final examination).

Those students who chose the final exam system (choice to do during the first 3 weeks of the semester) will be doing a final exam in which they can achieve 100% of the mark. This exam will cover all the contents of the subject. Getting at least 5 points in the final exam is required to pass the course.

### EVALUATION CRITERIA (Final exam):

The final exam (for both evaluation systems) will consist of a multiple choice test with 20 questions (with four possible answers). It will include both theoretical and problem solving questions. There will be only one correct answer by question (+0.5 points), some marks will be deducted for a poorly answered question (-0.16 points), and the unanswered questions will not count in the final mark.

## **Bibliography (basic and supplementary)**

### **Basic bibliography:**

- MANKIW, N.G. (2015): "Principles of Microeconomics", 7th Edition, *Cengage Learning*.
- GOOLSBEE, A. LEVITT, S. & SYVERSON, C. (2013): "Microeconomics", *Worth Publishers*.
- CORCHUELO, B. EGUIA, B. & VALOR, T. (2006): "Curso práctico de Microeconomía", *Delta Publicaciones Universitarias*.

### **Supplementary bibliography:**

- BLANCO, J.M. (2008): "Economía: Teoría y Práctica", 5ª ed., *McGraw-Hill*.
- PINDYCK, R.S. & RUBINFELD, D.L. (2009): "Microeconomía", 7ª ed., *Prentice-Hall*.
- CORCHUELO, B. & QUIROGA, A. (2009): "Análisis Microeconómico I", *Delta Publicaciones Universitarias*.
- CORCHUELO, B. & QUIROGA, A. (2013): "Análisis Microeconómico. Producción, Costes y Mercados", *Editorial Pirámide*.

### Additional teaching materials

Teaching materials (slides, handouts, exercises...) will be provided to students through the virtual campus (<http://campusvirtual.unex.es>).

### Office hours

Professor: M<sup>a</sup> del Mar Salinas Jiménez

Office: 251

Office hours [here](#).

### Recommendations

#### Regarding previous knowledge:

For a proper monitoring of the subject, the students should have a general mathematical knowledge and, more specifically, a satisfactory knowledge of differential calculus.

#### Regarding the method of study:

It is highly recommended that the students perform a continuous monitoring of the subject given the interconnected nature of the different units of the syllabus, especially from unit 2 to 4 and from units 6 to 8.

In addition, constant study, attending the classes and resolving all their doubts by tutoring sessions are advisable.

#### Regarding the development of the classes:

Since university years are a time for getting the required skills in the future work, the students should apply these skills in the learning process, especially good and polite behaviour, punctuality and respecting classmates and teachers. During the classes, mobile phones should be turned off.