

**Syllabus "Microeconomics I"**

**2013/2014**

Code: 102337

ECTS: 6

Degree	Year	Semester
952 Economics (EHEA Degree)	2	1
950 Degree in Business Administration (EHEA Degree)	2	1

**Contact**

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Department: Economia i Història Econòmica

**Language**

English

**Prerequisites**

There are no prerequisites to follow the course successfully.

Nonetheless it would be desirable if students were familiar with Introduction to Economics, Mathematics I and Mathematics II.

**Objectives**

The goal of the subject is for students to learn the classic tools of microeconomic analysis, including both consumer theory (preferences and utility, consumption and demand) and production theory (technology, cost minimization and profit maximization).

Students will learn how to critically understand and apply these concepts.

**Competences**

- E05 To apply the theoretical knowledge on the funding sources of firms
- E15 To apply the mathematical tools to understand complex economic situations
- E22 To identify the driving forces of demand and supply
- E24 To identify the processes governing the markets under different competitive frameworks
- T01 Ability to communicate in catalan, Spanish and English to synthesize and present the work done
- T02 Select and generate the needed information for every problem, to analyze it and take decisions by means of this information.
- T04 To organize the work, regarding a good management of time and its organization and planning
- T06 To work in teams and to have the ability to argue the own proposals, and validate or refute the arguments of others.
- T08 Ability to adapt to changing environments
- T10 Ability to keep learning in the future in an autonomous way, deepening in the acquired knowledge or starting in new areas.
- T12 To show motivation for the quality of the work done and interest for its consequences in the environment and society.

**Learning outcomes**

1. E 24.01 To link the technological structure with the cost structure
2. E15.08 To link intertemporal aspects with decision-making of agents
3. E15.11 To solve and interpret equilibria
4. E22.04 To analyze the driving forces of demand
5. E22.05 To analyze the driving forces of supply
6. E24.01 To link the technological structure with the cost structure
7. T01.00 Ability to communicate in catalan, Spanish and English to synthesize and present the work done

8. T02.00 Select and generate the needed information for every problem, to analyze it and take decisions by means of this information.
9. T04.00 To organize the work, regarding a good management of time and its organization and planning
10. T06.00 To work in teams and to have the ability to argue the own proposals, and validate or refute the arguments of others.
11. T08.00 Ability to adapt to changing environments
12. T10 Ability to keep learning in the future in an autonomous way, deepening in the acquired knowledge or starting in new areas.
13. T12.00 To show motivation for the quality of the work done and interest for its consequences in the environment and society.

## **Course contents**

Topic I: Introduction

Topic II: Consumer Theory

II.1 Preference and Indifference Curves

II.2 Utility Function

II. 3 Budget Constraint

Topic III: Consumer's Demand

III.1 Consumer Choice

III.2 Changes in Income: Normal and Inferior Goods

III.3 Changes in Prices: Ordinary, Giffen, Substitutes and Complements

III.4 Income and Substitution Effects

Topic IV Applications of Consumer Theory

IV.1 Work Supply

IV.2 Intertemporal Choice

IV.3 Revealed Preference

Topic V: Production Theory

V.1 Technology and Production Factors

V.2 Profit Maximization

V.3 Cost Minimization

## **Methodology**

1. Lectures

The Lecturer will conceptualised and synthesise every topic. The objective is to facilitate the achievement of the basic knowledge and to motivate students to the study of the subject.

2. Practical Classes

The topics covered will be analyzed in a practical way, by means of problem set resolution and discussion with students.

3. Individual work

The student will have to learn to study independently through the readings listed in the bibliography and other exercises that the lecturer will supply.

4. Campus virtual / Webpages

Extra material will be available in the Campus or at Professor's webpages

## **Learning activities and outcomes**

Activities	Hours	ECTS	Learning outcomes
<b>Type: Directed</b>			
Lectures	30		E22.05, E22.04, E24.01, E15.08, E15.11
Prectice classes	15		T08.00, T10.00, T12.00, E22.05, E22.04, E24.01, T02.00, T01.00, T04.00, T06.00, E15.08, E15.11
<b>Type: Supervised</b>			
Office hours	15		T08.00, T10.00, T12.00
<b>Type: Self learning</b>			
Individual Study and Problem Solving	67.5		T08.00, T10.00, T12.00, E22.05, E22.04, E24.01, T02.00, T01.00, T04.00, T06.00, E15.08, E15.11
Text Reading	15		T08.00, T10.00, T12.00, T02.00, T01.00, T04.00, T06.00

## Assessment

The assessment of the course is composed of two midterm exams plus a final exam:

- Two midterm exams may combine multiple choice questions and essay questions. Each exam weights 20% of the final mark.
- One final exam in January at the date fixed by the Faculty. This exam weights 60% of the final mark.

Re-sitting exams. Those students with a final mark between 4 and 4.9 can re-sit. The characteristics of this exam will be announced when the final marks are published. The maximum mark for this exam will be 1. This mark will be added to the final mark the student got.

Students will get a NO PAPER only if and when he/she has done no assessment.

## Assessment activities

Activities	Hours	ECTS	Learning outcomes
1 <sup>st</sup> Midterm exam, weighting 20% of the mark	2.25		T08.00, T10.00, T12.00, E22.05, E22.04, E24.01, T02.00, T01.00, T04.00, T06.00, E15.08, E15.11
2 <sup>nd</sup> Midterm exam, weighting 25% of the mark	2.25		T08.00, T10.00, T12.00, E22.05, E22.04, E24.01, T02.00, T01.00, T04.00, T06.00, E15.08, E15.11
Final exam, weighting 50% of the mark	3		T08.00, T10.00, T12.00, E22.05, E22.04, E24.01, T02.00, T01.00, T04.00, E15.08, E15.11

## References

The main textbook is:

Varian, H.R. (1999).Intermediate Microeconomics: a modern approach. New York: Norton.

Students can complement their study from:

Katz, M., Rosen, H., Morgan, W. (2007 Intermediate Microeconomics. McGraw-Hill.