

Subject Study guide “Introduction to Economics”

1. IDENTIFICATION

- ✓ **Subject name:** Introduction to Economics
- ✓ **Code:** 101192
- ✓ **Degree:** Bachelor in Tourism
- ✓ **Academic course:** 2018-19
- ✓ **Subject type:** Compulsory
- ✓ **ECTS Credits (hours):** 6 (150)
- ✓ **Teaching period:** First semester
- ✓ **Teaching language:** English
- ✓ **Teachers:** Albert Saló
- ✓ **Email:** albert.salo@uab.cat

2. PRESENTATION

This course introduces the concepts of economic theory to the students of Degree in Tourism. It is a subject of “principles” of economics where students are initiated into the basics that will be used later in other subjects with economic content. Specifically, the course describes the essential elements of microeconomics from a theoretical and analytical point of view. The focus of the course is very practical. The theoretical content is tried to be applied in the form of exercises, analyzing charts, as well as other activities.

3. EDUCATIONAL GOALS

LEARNING OBJECTIVES:

1. Prove that they know and understand the basic principles of tourism in all its dimensions and areas. Identifying the fundamentals of economic theory from the microeconomic perspective.
2. Identify and evaluate the elements of the tourism system and its interaction with the environment and its impact. The analysis of supply and tourism demand, the consumer, business, market, etc.

3. Assess the economic dimension of tourism in different geographical areas and analyzing the interaction between them. Understanding the behavior of the market and the logic of the "invisible hand" that regulates both static and dynamic perspective. To analyze the different concepts but in a partial way taking into account the presence of specific subjects throughout the degree.

4. SKILLS AND LEARNING OUTCOMES

SPECIFIC SKILLS AND LEARNING OUTCOMES

CE15. Assessing the economic dimension of tourism in different scales and analyze the relationship between them.

LEARNING OUTCOMES

CE15.1. Identify and learn economic concepts into market economies.

CE15.2. Understanding the basics of behavior of economic agents in different competitive environments (perfect competition, monopoly, etc.).

CE10. Argue critically from different theoretical perspectives, and ideological practices, the reality surrounding tourism

LEARNING OUTCOMES

CE10.1. Understand that the logic of the market economy has an ideological component support.

CE10.2. Understand that economic theory is just based on the study of the behavior of agents, and other factors (psychological, social, anthropological, cultural, etc.) also influence their behavior.

TRANSVERSAL SKILLS

CT1. Develop a capacity for learning independently.

CT4. Use communication skills at all levels.

CT5. Making decisions in contexts of uncertainty as well as being able to evaluate and predict the consequences of these decisions in the short, medium and long term.

CT10. Working group

5. TOPIC AND CONTENTS

TOPIC I: PRINCIPLES OF ECONOMICS

1.1. Scarcity and election

1.2. Production Possibilities Frontier

- 1.3. Opportunity Cost and practical applications

TOPIC II: SUPPLY AND DEMAND IN TOURISM

- 2.1. The circular flow diagram
2.2. Economic Systems: the market
2.3. Analysis and determinants of demand
2.4. Analysis and determinants of supply

TOPIC III: MARKET EQUILIBRIUM, ELASTICITIES AND GOVERNMENT INTERVENTION

- 3.1. Market equilibrium and variations
3.2. Elasticities of demand and supply
3.3. Government intervention: minimum and maximum prices and taxes

TOPIC IV: CONSUMER BEHAVIOUR

- 4.1. Consumer rationality
4.2. Budget constraint
4.3. Consumer preferences and utility maximization
4.4. Substitution effect and income effect

TOPIC V: THEORY OF THE FIRM: PRODUCTION AND COSTS

- 5.1. Production function in a short-term context
5.2. Firm costs in a short-term context
5.3. Production function in a long-term context and returns to scale
5.4. Firm costs in a long-term context
5.5. Maximization of profits

TOPIC VI: ANALYSIS OF SPECIFIC MARKETS: PERFECT COMPETITIVE MARKET AND MONOPOLY

- 6.1. Introduction: different market possibilities
6.2. Conditions and profit maximization with a perfect competitive market
6.3. Short-term and long-term market equilibrium in a perfect competitive market
6.4. Basic concepts of monopoly
6.5. Introduction to Game Theory for oligopoly situations

6. RECOMMENDED BIBLIOGRAPHY

- MANKIW, N. (2015): Principles of Economics Ed. Thomson
- BEGG, D. (2012): Economics. Ed. McGraw-Hill
- TRIBE, J. (2013). The Economics of Recreation, Leisure and Tourism. Oxford, Ed. Elsevier (4th Edition)
- REECE, W. (2009). The Economics of Tourism. Pearson

Other references:

- CASTEJÓN, M. Y PÉREZ, E. (2003): Introducción a la economía para turismo. Ed. Prentice Hall

- COOK, R.; YALE, L.; MARQUA, J. (2009). Tourism: the business of travel(4th). Pearson
- WEAVER, D.; LAWTON, L. (2009). Tourism Management(3rd). John Wiley & Sons
- KREPS, D.M. (cop. 2004). Microeconomics for managers. New York: Norton
- SHY, O. (2008). How to price: a guide to pricing techniques and yield management . Cambridge: Cambridge University Press
- McINTOSH, R. (cop. 1995). Tourism : principles, practices, philosophies (7th ed.). New York: John Wiley & Sons
- ROBINSON, JOAN; EATWELL, JOHN (1973). An introduction to modern economics. London: McGraw-Hill.

7. TEACHING METHODOLOGY

The course runs on three methods of teaching and learning:

a) Methodology for the theoretical part of the subject:

Through lectures expose the contents of the topics included in the course program. This part is complemented with practical exercises done on the board.

b) Methodology for the practical part of the subject:

Exercises in class, both individually and in groups, and individual exposure class resolution. It is also planned revision exercises outside of class hours (tuitions).

c) Methodology for the learning of the subject (Campus Virtual):

Campus Virtual platform will be used to complement information and alternative means of communication in the classroom between students and teacher. There will be exercises and supplementary materials for the course. A more elaborated work learning about different topics that relate to the tourism sector economy. The work teams will have to be prepared for delivery in a paper document for evaluation. It is also included the preparation of some subjects of economics applied to tourism to be included in the evaluation process.

TRAINING ACTIVITIES

Activity	Hours	ECTS	Learning outcomes
Type: Directed			
Lectures	40	1.60	C15.1. , C15.2., CT5
Exercises	12	0.48	C15.1. , C15.2., CT1
Type: Supervised			
Tuitions	22	0.88	C15.1. , C15.2.
Type: Autonomous			
Case studies	12	0.48	C10.1. , C10.2., C15.1. , C15.2., CT1
Work group elaboration	36	1.44	C10.1. , C10.2., C15.1. , C15.2., CT10
Study	24	0.96	C10.1. , C10.2., C15.1. , C15.2., CT1

8. ASSESSMENT SYSTEMS

The continuous evaluation is broke down into the following blocks:

- The completion and presentation-discussion of individual exercises (classroom and "on-line") throughout the year, given the fixed deadline, it will be worth **10% of the final grade.**
- Completion of a job learning, team work, about the relationship between economy and tourism. Delivered on the established date. This part will be worth **20% of the final grade.**
- The performance of two individual tests on the material based on theoretical and practical exercises on topics shown. This part will be worth **70% of the final grade.** It is required **an average of 4 points of both tests to be considered for continuous evaluation with blocks "a" and "b" with the condition that the minimum mark for any test must be at least 3 points.**

In order to pass continuous evaluation it is required an average of 5 points with blocks "a","b" and "c".

Students that do not pass continuous evaluation must do final exam of the subject with all topics covered.
To pass it is required a mark above or equal to 5 points.

ASSESSMENT ACTIVITIES

Activity	Weight	Hours	ECTS	Learning Outcomes
Test 1	35 %	2	0.08	CE15.1., CE15.2.
Test 2	35 %	2	0.08	CE15.1., CE15.2.
Team practicum	20 %	30	1.2	CE10.1., CE10.2.
Individual exercises	10 %	8	0.32	CE15.2.

9. PLANNING

WEEK	TOPIC	METHOD	HOURS
1, 2	-Presentation Topic 1	- Lectures - Exercises	6
3,4	Topic 2	- Lectures - Exercises	8
5,6	Topic 3	- Lectures - Exercises	6
7,8	Topic 3	- Lectures - Exercises - Test 1	8
9,10	Topic 4	- Lectures - Exercises	6
11,12,13	Topic 5 and team practicum	-Lectures -Online exercise -Work group session	12
14,15	Topic 6	- Lectures - Exercises - Test 2	8

10. ENTREPRENEURSHIP AND INNOVATION

Introduction to Economics is a subject where it is explained the basics of economic agents, such as consumers and companies. It is therefore a suitable place for promoting entrepreneurship. The course works in special dedication to case studies of innovative analysis of situations or to generate innovative ideas in business or tourism development. At least, each working group meets a specific case or innovative entrepreneurial action that can serve up its own entrepreneurial spirit.