

Academic year	2016-17
Subject	20605 - Microeconomics
Group	Group 50, 2S, GADE
Teaching guide	R
Language	English

Subject identification

Subject	20605 - Microeconomics
Credits	2.4 de presencials (60 hours) 3.6 de no presencials (90 hours) 6 de totals (150 hours).
Group	Group 50, 2S, GADE (Campus Extens)
Teaching period	Second semester
Teaching language	English

Professors

Lecturers	Horari d'atenció als alumnes					
	Starting time	Finishing time	Day	Start date	Finish date	Office
Luca Piccoli - luca.piccoli@uib.es	10:00	12:00	Thursday	12/09/2016	07/07/2017	DB220 "cita prèvia per e-mail"

Contextualisation

This subject intends to constitute a continuation of Introduction to Economics. Microeconomics is concerned with the analysis of economic phenomena from the perspective of the individual, consumers or producers. The course covers the basic concepts and tools needed to undertake the analysis of such problems that arise due to the law of scarcity. In addition, the functioning of competitive product markets is studied. The result should be a greater understanding of how and why consumers, firms, and markets in the economy function the way they do.

In this way, this course is a basic and introductory subject to the theory of consumer and producer choice and it will be fundamental for other subjects of the Degrees in Economics and Business Administration such as Games and Strategic Decisions, Industrial Organization, Information Economics, Business Strategy, Welfare Economics, Public Economics or Environmental Economics.

Requirements

Recommendable

There are no compulsory prerequisites. Nevertheless, it is strongly recommended to have done Introduction to Economics in the first semester. A good level in Mathematics is a great advantage to pass this course.

Skills

Specific

- * Making well-reasoned analyses and descriptions of any aspect of the economic reality, focusing particularly on the field of firm analysis using different technical instruments. (CE3 Degree in Economics.- Making well-reasoned analysis and descriptions of any aspect of the economic reality) (CE2.1 Degree in Business Administration.- Analyzing a firm in its environment using different technical instruments)..
- * Weighting up the consequences of alternative courses of action and choosing the best one, depending on the objectives to be achieved. (CE4 Degree in Economics.-Weighting up the consequences of alternative courses of action and choosing the best one, depending on the objectives to be achieved.) (CE2.3.6 Degree in Business Administration.-Knowing the fundamentals and tools for economic analysis that are relevant for decision making in firms and organizations, especially at operative and tactic levels)..
- * Contextualizing economic problems through the use of formal models. Knowing how to incorporate extensions and variations in the initial assumptions of basic models so that they hold the basic hypotheses. Being aware of their potential and limitations. (CE12 Degree in Economics.-Contextualizing economic problems through the use of formal models. Knowing how to incorporate extensions and variations in the initial assumptions of basic models so that they hold the basic hypotheses. Being aware of their potential and limitations.)(CE2.4 Degree in Business Administration.-Defending the proposed solutions in an ordered way by using the acquired theoretical and technical knowledge)..

Generic

- * Capacity for synthesis and having developed the necessary learning skills to undertake subsequent studies with a high level of autonomy. (CG7 Degree in Economics.-Capacity for synthesis) (CB5 Degree in Business Administration.-Having the capacity of gathering and interpreting relevant data in order to think about important issues of social, scientific, and ethical nature).
- * Analyzing problems critically, in an unbiased way, with accuracy and academic rigor. (CG5 Degree in Economics.- Analyzing problems critically, in an unbiased way, with accuracy and academic rigor) (CB5 Degree in Business Administration.-Having the capacity of gathering and interpreting relevant data in order to think about important issues of social, scientific, and ethical nature).

Basic

- * You may consult the basic competencies students will have to achieve by the end of the degree at the following address: <http://www.uib.eu/study/grau/Basic-Competences-In-Bachelors-Degree-Studies/>

Content

Theme content

PART I. CONSUMER THEORY

Unit 1. Consumer Choice

1. Introduction
2. Budget constraint
3. Preferences
4. Consumer Equilibrium
5. Comparative statics: Demand curve

Unit 2. Substitution Effect and Income Effect

1. Income Effect and Substitution Effect
2. Hicks Substitution Effect
3. Slutsky Substitution Effect

Unit 3. Choice problem applications

1. Intertemporal choice: Budget constraint and Equilibrium
2. Interest rate variations: effects on present consumption
3. Inflation
4. Labour supply: Budget constraint and Equilibrium
5. Overtime work

PART II. PRODUCER THEORY

Unit 4. Production

1. Relationship between inputs and production function.
2. Short-run production function
3. Long-run production function

Unit 5. Costs

1. Short-run costs
2. U-shape cost curves
3. Short-run cost curves
4. Production with multiple inputs
5. Relationship between short and long-run cost curves
6. Long-run cost curves

PART III. PERFECT COMPETITION AND COMPETITIVE EQUILIBRIUM

Unit 6. Perfect Competition

1. Perfect Competition as a limit case
2. Producer choice
3. Short-run supply curve
4. Market supply curve
5. Long-run supply
6. Industry supply curve
7. Efficiency of the competitive equilibrium in the short-run
8. Market failures

Teaching methodology

In this respect, it must be noted that in order to encourage student autonomy and individual learning, this subject forms part of the Campus Extens programme, aimed at flexible distance learning. Campus Extens incorporates data transmission technology in university learning. Thus, among other things, with the Moodle tele-learning platform, students will have online distance communication technology at their disposal to contact teaching staff and exchange electronic documents.

Workload

The next table presents the workload distribution of the different work activities, divided by frequency activities and self study activities. The equivalence between hours of work and ECTS credits (1 ECTS credit = 25 hours of student work).

It is advisable to keep in mind that on average for each hour of class, the student must work one hour and a half at home.

In-class work activities

Modality	Name	Typ. Grp.	Description	Hours
Theory classes	Lecture	Large group (G)	Using explanatory methods, the teacher will outline the theoretical fundamentals and give practical examples of the rationale behind the corresponding teaching units. Information will also be given on recommended working methods and the teaching material that the students should use to round off the learning process on an individual basis. On average, 3 hours of theory classes will be given each week.	42
Practical classes	Classroom-based practical sessions	Medium group (M)	By solving exercises and problems, students will put into practice knowledge acquired during the theory classes. They will have an average of 1 hour per week of classroom-based practical sessions.	14
Assessment	Partial Exam 2	Large group (G)	The exam corresponding to the June exam session will include 4,5 and 6 units. The exam will last for approximately 2 hours. The final exam can be recoverable in July.	2
Assessment	Partial Exam 1	Large group (G)	After Easter, as specified by the chronogram, the students will face a partial exam. It will be out of regularity timetable. The content of the exam is based on teaching units 1,2 and 3. The exam will last for approximately 2 hours. The exam can be recoverable in July.	2

At the beginning of the semester a schedule of the subject will be made available to students through the UIBdigital platform. The schedule shall at least include the dates when the continuing assessment tests will be conducted and the hand-in dates for the assignments. In addition, the lecturer shall inform students as to whether the subject work plan will be carried out through the schedule or through another way included in the Campus Extens platform.

Distance education work activities

Modality	Name	Description	Hours
Individual self-study	Preparation of teaching units	After a classroom-based explanation by the teacher, the students must explore the subject in greater depth. To facilitate this, the teacher may suggest bibliographical references from the teaching manuals.	50
Group or individual self-study	Completion of problem sets 1	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.	8
Group or individual self-study	Completion of problem sets 2	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.	8
Group or individual self-study	Completion of problem sets 3	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.	8

Modality	Name	Description	Hours
Group or individual self-study	Completion of problem sets 4	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.	8
Group or individual self-study	Completion of problem sets 5	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.	8

Specific risks and protective measures

The learning activities of this course do not entail specific health or safety risks for the students and therefore no special protective measures are needed.

Student learning assessment

Subject competences will be marked according to a list of marking procedures. The following table describes for each marking procedure, the type (recoverable only in extraordinary evaluation period: R vs. non-recoverable: NR), the marking criteria, and their weight in the total mark of the subject for every path.

There are two paths to pass the subject. To go by path B student has to be authorized by the profesor and has to sign a contract during the first two weeks of the semester.

The student will obtain a mark between 0 and 10 for each activity. The final mark of the subject will be a weighted average among the marks for each activity. The final grade, including the weighted sum of all activities, must be at least 5.

Partial Exam 2

Modality	Assessment
Technique	Objective tests (retrievable)
Description	The exam corresponding to the June exam session will include 4,5 and 6 units. The exam will last for approximately 2 hours. The final exam can be recoverable in July.
Assessment criteria	-Test format: students will be given different exercises and case studies, accompanied by a series of questions. The numerical marking scheme will be made available with the exam. - The suitability of the chosen procedures. - The accuracy of the results. - The suitability of the students' interpretations and conclusions, based on the achieved results.

Final grade percentage: 50% for the training plan A

Final grade percentage: 0% for the training plan B

Partial Exam 1

Modality	Assessment
Technique	Objective tests (retrievable)
Description	After Easter, as specified by the chronogram, the students will face a partial exam. It will be out of regular timetable. The content of the exam is based on teaching units 1,2 and 3. The exam will last for approximately 2 hours. The exam can be recoverable in July.
Assessment criteria	-Test format: students will be given different exercises and case studies, accompanied by a series of questions. The numerical marking scheme will be made available with the exam. - The suitability of the chosen procedures.

- The accuracy of the results. - The suitability of the students' interpretations and conclusions, based on the achieved results.

Final grade percentage: 50% for the training plan A

Final grade percentage: 0% for the training plan B

Completion of problem sets 1

Modality	Group or individual self-study
Technique	Other methods (non-retrievable)
Description	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.
Assessment criteria	The student will be continually evaluated during the classes. In particular the relevant criteria will be: Ability to solve exercises, presentations of the results, level of completion of exercises, written clarity of ideas, etc.

Final grade percentage: 0% for the training plan A

Final grade percentage: 20% for the training plan B

Completion of problem sets 2

Modality	Group or individual self-study
Technique	Other methods (non-retrievable)
Description	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.
Assessment criteria	The student will be continually evaluated during the classes. In particular the relevant criteria will be: Ability to solve exercises, presentations of the results, level of completion of exercises, written clarity of ideas, etc.

Final grade percentage: 0% for the training plan A

Final grade percentage: 20% for the training plan B

Completion of problem sets 3

Modality	Group or individual self-study
Technique	Other methods (non-retrievable)
Description	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.
Assessment criteria	The student will be continually evaluated during the classes. In particular the relevant criteria will be: Ability to solve exercises, presentations of the results, level of completion of exercises, written clarity of ideas, etc.

Final grade percentage: 0% for the training plan A

Final grade percentage: 20% for the training plan B

Completion of problem sets 4

Modality	Group or individual self-study
Technique	Other methods (non-retrievable)
Description	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.
Assessment criteria	The student will be continually evaluated during the classes. In particular the relevant criteria will be: Ability to solve exercises, presentations of the results, level of completion of exercises, written clarity of ideas, etc.

Final grade percentage: 0% for the training plan A

Final grade percentage: 20% for the training plan B

Completion of problem sets 5

Modality	Group or individual self-study
Technique	Other methods (non-retrievable)
Description	A series of individual (or group) exercises will be proposed during the semester. These can be downloaded using the Moodle tele-learning platform.
Assessment criteria	The student will be continually evaluated during the classes. In particular the relevant criteria will be: Ability to solve exercises, presentations of the results, level of completion of exercises, written clarity of ideas, etc.

Final grade percentage: 0% for the training plan A

Final grade percentage: 20% for the training plan B

Resources, bibliography and additional documentation

Basic bibliography

Frank, Robert H.
Microeconomics and behavior / Robert H. Frank .
6th ed.
Boston: McGraw-Hill, 2006
Gravelle, Hugh.
Microeconomics/ Hugh Gravelle and Ray Rees.
3rd ed.
Prentice Hall. 2004.
Varian, Hal R.
Intermediate microeconomics :a modern approach /Hal R. Varian.
2nd ed.
New York :W.W. Norton,c1990.
Nicholson, Walter.
Intermediate Microeconomics and Its Application/Walter Nicholson.
8th ed. [Cincinnati, Ohio] :South-Western Pub/2002.

Complementary bibliography

Pindyck, Robert S.
Microeconomics /Robert S. Pindyck, Daniel L. Rubinfeld.
3rd ed.
Englewood Cliffs, N.J :Prentice Hall,c1995.
Hey, John Denis.



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Intermediate Microeconomics / John Denis Hey.
Mcgraw-Hill, 2004
Puértolas, J y Llorente, L.
Microeconomia Interactiva I. Equilibrio parcial. Teoría de la producción y la oferta.
Pirámide, 2013
Puértolas, J y Llorente, L.
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Villar, Antonio.
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