

Microeconomics I

2014/2015

Code: 102337
ECTS Credits: 6

Degree	Type	Year	Semester
2501572 Administració i Direcció d'Empreses	OB	2	1
2501573 Economia	OB	2	1

Contact

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Use of languages

Principal working language: català (cat)
Some groups entirely in English: Yes
Some groups entirely in Catalan: Yes
Some groups entirely in Spanish: Yes

Teachers

Pau Olivella Cunill
Jesús David Pérez Castrillo
Caterina Calsamiglia Costa

Prerequisites

Suggested:
Introduction to Economics
Mathematics I and II

Objectives and Contextualisation

The aim of the subject is to understand the basic tools for microeconomic analysis and to obtain the ability to apply them.

Among the topics that will be covered:

Consumer Theory, Preferences and Utility, Consumption and Demand, Production Theory.

Skills

Administració i Direcció d'Empreses

- Apply mathematical instruments to synthesise complex economic-business situations.
- Apply theoretical knowledge of finances to improve relations with sources of financing, identifying the different forms of financing and the advantages and disadvantages for the company and the providers.
- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.

- Capacity for oral and written communication in Catalan, Spanish and English, which enables synthesis and oral and written presentation of the work carried out.
- Identify the forces that govern demand and supply.
- Identify the processes that govern the operation of markets in different competition systems, different scenarios of interrelationship and different timescales.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

Learning outcomes

1. A capacity of oral and written communication in Catalan, Spanish and English, which allows them to summarise and present the work conducted both orally and in writing.
2. Analyse the determinants of demand.
3. Analyse the determinants of supply.
4. Associate the technological structure of companies with the cost structure and describe the translation process.
5. Capacity to adapt to changing environments.
6. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
7. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
8. Organise work, in terms of good time management and organisation and planning.
9. Relate intertemporal aspects to the decision-making processes of economic agents.
10. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
11. Solve equilibrium problems and interpret their meaning.
12. Work as part of a team and be able to argue own proposals and validate or refuse the arguments of others in a reasonable manner.

Content

(The corresponding chapters in Varian's book are indicated in parenthesis)

Topic I: Introduction (C.1)

Topic II: Consumer Theory (C. 2, 3 y 4)

II.1 Preferences and Indifference Curves

II.2 Utility Functions

II. 3 Budget sets

Topic III: Demand (C. 5, 6 y 8)

III.1 Consumer Optimal Choice

III.2 Income Variations: Normal and Inferior Goods

III.3 Price Variations: Ordinary, Giffen, Substitute and Complementary Goods

III.4 Income and Substitution Effects

Topic IV: Applications of Consumer Theory (C. 9, 10 y 7)

IV.1 Labour Supply

IV.2 Intertemporal Choice

IV.3 Revealed Preference

Topic V: Production Theory (C. 18, 19, 20 y 21)

V.1 Technology and Production Factors

V.2 Profit Maximization

V.3 Cost Minimization

Methodology

The methodology includes study, preparation and discussion of exercises, text reading, group exercises, lectures and tutorials.

Activities

Title	Hours	ECTS	Learning outcomes
Type: Directed			
Exercises and group discussion	15	0.6	3, 2, 4, 5, 1, 6, 7, 8, 9, 11, 10, 12
Lectures	30	1.2	3, 2, 4, 9, 11
Type: Supervised			
Tutorials	15	0.6	5, 6, 7
Type: Autonomous			
Study, preparation and discussion of exercises	67.5	2.7	3, 2, 4, 5, 1, 6, 7, 8, 9, 11, 10, 12
Text reading	15	0.6	5, 1, 6, 7, 8, 10, 12

Evaluation

The evaluation includes partial course evaluation (40 per cent) and a final exam (60 per cent). For students obtaining a total final grade greater or equal than 4 and below 5, there will be a re-take exam. The grade of the re-take will be qualitative: either pass or no-pass. If the student gets a pass, final quantitative grade will be 5. Otherwise, the final grade will be the grade before the re-take.

On top of other disciplinary measures that are considered adequate, and in line with the current academic rules, any student involved in an irregular activity (that may lead to variation in evaluation activities) immediately leads to a 0 grade. Hence, participation in any copying behavior for any evaluated activity (exam or practice) will imply a fail, with a grade of zero. If the activity is needed to pass the subject, the subject will be failed. Any activity evaluated according to this disciplinary measure cannot be taken again, and hence the subject may be directly failed without any further chance in the same academic year.

Evaluation activities

Title	Weighting	Hours	ECTS	Learning outcomes
Final Exam	60 %	3	0.12	3, 2, 4, 5, 1, 6, 7, 8, 9, 11, 10
Practices and partial evaluations	40 %	4.5	0.18	3, 2, 4, 5, 1, 6, 7, 8, 9, 11, 10, 12

Bibliography

Varian, H. (1999). Intermediate Microeconomics: A modern approach.

Extra: Katz, M., Rosen, H., Morgan, W. (2007). Microeconomics