



MICROECONOMICS

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|--------------------------------|--------------------------|
| Course code | <i>ECO101</i> |
| Course title | <i>Microeconomics</i> |
| Type of course | <i>Compulsory</i> |
| Stage of study | <i>Undergraduate</i> |
| Year of study | <i>1st</i> |
| ECTS | <i>6</i> |
| Coordinating lecturer | <i>Dr Jonathan Boyd</i> |
| Studies form | <i>Full-time classes</i> |
| Prerequisites | <i>-</i> |
| Language of instruction | <i>English</i> |

Course description

This course provides an introduction to the most common tools and methods to analyze various microeconomic issues. The course deals with theoretical concepts and their practical application. The course is based on selected topics that will cover supply and demand, consumer behaviour, producer behaviour, market structure, market equilibrium and market failure.

Aims and Learning Outcomes of the Course

The course aims to introduce students with basic issues of microeconomics. The course will provide the fundamental theory and examples of their application. It aims to enable students to apply microeconomic concepts in solving a range of practical economic problems.

At the completion of this course, students will be able to:

| Course learning outcomes (CLO) | Study methods | Assessment methods |
|--|---|---|
| CLO1. Understand the main theories in microeconomics. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |
| CLO2. Integrate and apply theoretical knowledge for examination and solving real economic problems faced by individuals and firms. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |
| CLO3. Understand and analyse the market mechanism and its limitations. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |
| CLO4. Understand, analyse and evaluate the role of government in solving the economic issues. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |
| CLO5. Understand and analyse decision-making under different assumptions about market structure and available information. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |
| CLO6. Develop skills in research and presentation/ communication | Seminars, individual study, group study | Group homework |
| CLO7. Develop critical thinking, problem solving skills, team work. | Lectures, seminars, individual study, group study | Midterm and final exams, group homework |

Learning methods

Learning methods will consist of lectures, seminars, homework assignments, and the solving of selected problems.

Cheating prevention

The ISM regulations on academic ethics, including cheating (see: *ISM regulations*) are fully applied in the course during the entire semester.



Course content

| Week | Topic | In-class hours | | Readings |
|--------------------|--|----------------|-----------|---------------------------|
| | | Lectures | Seminars | |
| 1. | Introduction to Microeconomics | 2 | 2 | [1, 1 and 2 ch.] |
| 2. | 1. Elasticity of demand and supply | 2 | 2 | [1, 2 ch.] |
| 3. | 2. Consumer behavior | 2 | 2 | [1, 3 ch.] |
| 4. | 3. Individual and market demand | 2 | 2 | [1, 4 ch.] |
| 5. | 4. Uncertainty and consumer behaviour | 2 | 2 | [1, 5 ch] |
| 6. | 5. Production | 2 | 2 | [1, 6 ch.] |
| 7. | <i>Midterm exam</i> | 2 | 2 | Review all previous chps. |
| 8. | 6. The cost of production | 2 | 2 | [1, 7 ch.] |
| 9. | 7. Profit maximization and competitive supply | 2 | 2 | [1, 8 and 9 ch.] |
| 10. | 8. Market power: monopoly and monopsony 9. Monopolistic competition and oligopoly | 2 | 2 | [1, 10, 12 ch.] |
| 11. | 10. Markets for factor inputs | 2 | 2 | [1, 14 ch.] |
| 12. | 11. Markets with asymmetric information <i>Course review</i> | 2 | 2 | [1, 17 ch.] |
| Total hours | | 24 | 24 | |

Assessment methods

| Assignment | Topics | Total hours | Final grade, % |
|----------------------|--------|-------------|----------------|
| Midterm exam | 1-5 | 40 | 35 |
| Final exam | 6-11 | 40 | 45 |
| Homework assignments | | 32 | 20 |
| Consultations | | 2 | |
| Total | | 114 | 100% |

Midterm examination. The midterm exam will be based on topics 1-5. The midterm exam consists of theoretical questions, case analysis and problem solving; the format will be primarily multiple choice plus additional open answer questions. Consultations are set during seminars. The midterm exam will account for 35% of the final grade.

End-semester final exam. The final exam will be based on topics 6-11. The final exam consists of theoretical questions, case analysis and problem solving; the format will be primarily multiple choice plus additional open answer questions. Consultations are set during seminars. The final exam will account for 45% of the final grade.

Group assignment. The group presentation counts for 20% of the final grade. Students will prepare in groups of 4-6 students, and all group members must be present and speak. Absent group members will receive a grade of zero. Topics and presentation dates (during seminars) will be assigned by the lecturer, and the evaluation will occur upon completion. More information will be included on e-learning.

The retake exam. After receiving a failing final cumulative grade, a student can retake an exam. A retake exam will consist of all course material and will have 80% weight in calculation of the final cumulative grade. Homework assignments cannot be retaken at a later time but these grades will be calculated into the final grade.

Readings:

1. Pindyck R.S, Rubinfeld D.L, *Microeconomics*, 7th edition, Prentice Hall, 2009