COURSE DATA

DATA SUBJECT

Code: 35808
Name: Microeconomics
Cycle: Undergraduate Studies
ECTS Credits: 6
Academic year: 2025-26

STUDY (S)

Degree	Center	Acad. year	Period
1313 - Degree in Business Management and Administration	Facultat d'Economia	1	Second quarter
1330 - Degree in Business Management and Administration (Ontinyent)	Facultat d'Economia	1	Second quarter
1921 - Double Degree Program BMA and Law	Facultat d'Economia	1	Second quarter
1926 - Double Degree Program Tourism and BMA	Facultat d'Economia	1	Second quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
1313 - Degree in Business Management and Administration	Economics	BASIC
1330 - Degree in Business Management and Administration (Ontinyent)	Economía	BASIC
1921 - Double Degree Program BMA and Law	Year 1 compulsory subjects	BASIC
1926 - Double Degree Program Tourism and BMA	Asignaturas de formación básica de primer curso	BASIC

COORDINATION

HUGUET ROIG ANA

SALVADOR MUÑOZ CARLOS

COSCOLLA GIRONA MARIA PAZ

SUMMARY

This course is part of the basic training in Economics for students of the degree in business administration and management (GADE). It spans the 2nd semester of the 1st year of GADE as a follow up to the *Introduct ory Economics* course (6 ECTS) programmed for the 1st semester of the 1st year of the degree.

Decision-making by individual agents and their interactions in markets are at the core of *Microeconomics*. A

good understanding of these matters is essential for any professional in the fields of business administration and management. Among other things, *Microeconomics* studies the process of pricing in markets where individual agents interact. The functioning of competitive and non-competitive markets and the strategic interdependence of firms are key topics in *Microeconomics* covered in this course.

This *Microeconomics* course builds on the overview of markets and their operation acquired by students in the *Introductory Economics* course (1st year, 1st term) and provides the microeconomic foundations for the *Macroeconomics* course (compulsory subject, 6 ECTS), taught in the 1st term of the 2nd year of the degree. Economic analysis is also at the basis of econometrics modelling covered in the in *Econometrics* course taught in the 1st term of the 3rd year (Compulsory, 6 ECTS, 3rd year, 1st term).

The course covers five main topics. The first one looks into the production and costs decisions confronted by firms. The second topic focuses on firm and industry supply and equilibrium in perfectly competitive markets. A number of non-competitive market structures are covered next. Monopoly, discriminatory pricing practices, monopolistic competition and oligopoly are subjects explored in units 3, 4, 5 of the programme.

PREVIOUS KNOWLEDGE

RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE

There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS

There are no specified restrictions with respect to other subjects of the curriculum to enrol in this course. Students in this Microeconomics course are expected to have a basic training in Calculus (solving equations with one / two unknowns and partial differentiation). Some acquaintance with the graphic analysis of functions will also be useful. Finally, a good understanding and knowledge of the concepts introduced in the subject Introductory Economics is required to complete this course successfully.

COMPETENCES / LEARNING OUTCOMES

1313 - Degree in Business Management and Administration

Be able to adapt to new situations.

Be able to analyse and search for information from different sources.

Be able to apply analytical and mathematical methods for the analysis of economic and business problems.

Be able to apply economic principles for the diagnosis and resolution of social problems such as immigration, discrimination and others that affect society and the market.

Be able to carry out strategic diagnoses in complex and uncertain environments using the appropriate methodologies to resolve them.

Be able to coordinate activities.

Be able to express oneself in formal, graphic and symbolic languages.

Be able to identify the sources of relevant economic information and their contents, and to understand economic institutions as the result and implementation of theoretical or formal approaches to how the economy works.

Be able to learn autonomously.

Be able to make decisions.

Be able to make decisions under certainty and uncertainty environments.

Be able to negotiate and reconcile interests effectively.

Be able to solve problems.

Be able to transmit and communicate complex ideas and approaches to both specialised and lay audiences.

Be able to use ICTs in the field of study.

Be able to work in a team.

Demonstrate capacity for analysis and synthesis.

Demonstrate oral and written communication skills in the native language.

Have critical and self-critical capacity.

Have organisation and planning skills.

Know the principles of economic analysis and its application to the diagnosis and resolution of problems.

Show motivation for quality.

Understand the keys to the functioning of the market and the effects of its different structures.

1330 - Degree in Business Management and Administration (Ontinyent)

Be able to adapt to new situations.

Be able to analyse and search for information from different sources.

Be able to apply analytical and mathematical methods for the analysis of economic and business problems.

Be able to apply economic principles for the diagnosis and resolution of social problems such as immigration, discrimination and others that affect society and the market.

Be able to carry out strategic diagnoses in complex and uncertain environments using the appropriate methodologies to resolve them.

Be able to coordinate activities.

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DESCRIPTION OF CONTENTS

1. Production and cost.

1.1 The production function.

1.2 The measurement of costs.
1.3 Costs in the short run.
1.4 Economies and diseconomies of scale.

Basic reference: Mankiw and Taylor, 5th edition, Part 1 Ch. 5 (pp. 105-140) and Part 2 Ch. 10 (pp. 231-240).
Complementary reference: Pindyck and Rubinfeld, 9th edition, Chap. 6 and 7 (pp. 209-236) and Chap. 7 (pp. 237-288).

2. Competitive Markets.

2.1 What is a competitive market?
2.2 The maximization of profits and the supply curve of the competitive firm.
2.3 The supply curve in a competitive market: short and long term.
Basic reference: Mankiw and Taylor, 5th edition, Part 1 Ch. 5 (pp. 105-140), Ch. 6(pp. 141-158) and Part 2 Ch. 10 (pp. 231-240).
Complementary reference: Pindyck and Rubinfeld, 9th edition, Ch.8 (pp. 241-288).

3. Monopoly.

3.1 Why do monopolies arise? Entry barriers.
3.2 The production and pricing decisions of monopolies. Monopoly power.
3.3 Social cost of monopoly power.
3.4 Multi-plant monopoly.
3.5 Price regulation.
Basic reference: Mankiw and Taylor, 5th edition, Ch. 11 (pp. 242-266).
Complementary reference: Pindyck and Rubinfeld, 9th edition, Ch. 10 (pages 369-412)

4. Pricing with market power.

4.1 Capturing consumer surplus.
4.2 Price discrimination.
4.3 Publicity
Basic reference: Mankiw and Taylor, 5th edition, Ch. 11 (pp. 242-266).
Complementary reference: Pindyck and Rubinfeld, 9th edition

5. Monopolistic competition and oligopoly.

5.1 Monopolistic competition: equilibrium in the short and long term.
5.2 Characteristics of the oligopoly.
5.3 The equilibrium in the case of an oligopoly.
5.4 Game theory and economic analysis of cooperation.
5.5 Oligopoly models. Cournot, Bertrand and Stackelberg

Basic reference: Mankiw and Taylor, 4th edition, Ch. 15 i Ch. 16.
Complementary reference: Pindyck and Rubinfeld, 9th edition, Chap. 12.

WORKLOAD

PRESENCIAL ACTIVITIES

Activity	Hours
Theory	30,00
Classroom practices	30,00
Total hours	**60,00**

NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	10,00
Independent study and work	40,00
Preparation of lessons	30,00
Preparation for assessment activities	10,00
Resolution of case studies	0,00
Total hours	**90,00**

TEACHING METHODOLOGY

The approach followed in this *Microeconomics course*, can be described as follows:

- In *theory lectures,* the instructor will present and explain the substance of the subject and will solve the doubts raised by the students about the current and previously discussed matters. The instructor's presentations will allow for questions and answers sessions with students. This will require preparation of the materials provided before the lecture. Students are encouraged to develop their capacity to carry out work autonomously as well as their oral and written communication skills by asking questions, discussing issues in class between themselves and with the instructor.

Students will prepare *practice classes* in advance by tackling and solving problem sets and case studies by themselves for further discission in common at the classroom. The submission of the proposed assignments could be required as part of the continuous assessment process.

EVALUATION

The overall assessment of the course will take into account:

- **Final written exam** at the end of the term. It will consist of theory and practice questions.

- **Appraisal of the student's activity** during the course **("continuous assessment")** including essays, solving problem sets and presentations in class.

- **Regular appraisal of students' participation in class.**

The final grade of the course will result from the addition of two elements: 30% of the overall mark will correspond to the sum of the scores obtained by the student in the different activities carried out throughout the course and active student participation, and 70% of final mark will correspond to the final test.

To pass the course, the final grade must be of at least 5 points out of 10 calculated as indicated in the paragraph above. In addition, students must obtain at least a passing mark in the final mandatory exam which is mandatory.

If the student chooses not to carry out the continuous assessment tasks, he/she can only get a maximum of 7 points in the final test and needs to get at least 5 out of the 7 points in this test to pass the course. Failure to pass the final test, the mark to be included in the official marks transcript shall be determined from the weighted sum of the scores on continuous assessment and final synthesis test, without exceeding, in any case, 4.5 («Fail»). In the first call continuous assessment will be non-recoverable.

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REFERENCES

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Bibliografía complementaria

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- Microeoconomía, Laidler, D. y Estrin, S., 1995. Prentice Hall (quarta edició).

- Microeconomía Intermedia y aplicaciones, Nicholson, W., 2006. Thomson Editores Spain (novena edició).

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- Microeconomía intermedia: Un enfoque actual. Varian, H., 2003. Antoni Bosch Ed. (cinquena edició).

- Microeconomía, Parquin, M. y Loria, E. 9ª Edició, 2010. Pearson

- The economy. The CORE team. https://core-econ.org/the-economy/book/text/0-3-contents.html

- Microeconomía, Goolsbee, A., Levitt, S. y Syverson, Ch., 2015. Editorial Reverte.