



## COURSE DATA

### DATA SUBJECT

**Code:** 44945  
**Name:** Microeconomics  
**Cycle:** Master's Degree  
**ECTS Credits:** 5  
**Academic year:** 2026-27

### STUDY (S)

Degree	Center	Acad. year	Period
2242 - Master's Degree in Economics	Facultat d'Economia	1	First quarter

### SUBJECT-MATTER

Degree	Subject-matter	Character
2242 - Master's Degree in Economics	Analytic matter-Conceptual	COMPULSORY

### COORDINATION

RUBIO JORGE SANTIAGO JOSE

## SUMMARY

Microeconomics study how a society allocates scarce resources among alternative uses through the market mechanism. Microeconomics is often called *price theory* to emphasize the important role that prices play in determining market outcomes. In this course, following a partial equilibrium approach, it is explained how prices are determined in a single market by the decentralized decisions of individuals and firms, and what are the properties that a competitive market equilibrium presents. The course is organized in three parts. The first part is devoted to the consumer theory. This part explains how individuals choose the demand of goods. In the second part, the focus is on firms' decisions on the production level to supply in the market. The analysis of the firm's behaviour distinguishes between short-run decisions and long-run decisions. In the final part, it is shown that competition maximizes social welfare to ends with the analysis of market failures that includes the case of the monopoly, externalities, public goods and asymmetric information.

## 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 not additional requirements to those that are established for the enrollment in the Master.

## COMPETENCES / LEARNING OUTCOMES

### 2242 - Master's Degree in Economics

Acquire linguistic and technological skills: ability to use English in the scientific field of economics and to use ICT in the field of economic study and research.

Acquire social skills to work in a team: capacity to coordinate activities, ethical and responsible commitment, leadership and mobilisation capacity, all of which are important for economic and team management.

Communicate orally and in writing using an inclusive and egalitarian language.

Desarrollar la capacidad crítica, impulsar la inquietud y el interés investigador en el ámbito de la economía, especializarse en el manejo de material bibliográfico, en la utilización de bases de datos económicas y programas matemáticos y estadísticoeconómicos, así como aprender a transmitir de forma adecuada los resultados de investigadora a través de artículos científicos y ponencias en congresos.

Develop time management skills for learning: skills for organisation, planning and decision making in the process of learning advanced economics.

Gain the capacities of abstraction and logical reasoning that are essential for the creation of economic models: ability to express oneself using formal, graphic and symbolic languages, to apply analytical and mathematical methods to economics, and to relate and manipulate concepts according to a purpose.

Know how to identify the relevant market and the competition model that is best suited to the strategic behaviour of the agents in the market.

Know how to promote, in academic and professional contexts, technological, social or cultural progress in a knowledge-based society that is founded on the respect for: (a) fundamental rights and the principles of equal opportunities for men and women, which involves using an inclusive and egalitarian language that promotes the visibility of women; (b) the principles of equal opportunities and universal accessibility for people with disabilities, and (c) the distinctive values of a culture of peace and democratic values.

Know the regulation of markets and the implementation of microeconomic policies

Know the role of the state in the analysis of markets and institutions.

Students should apply acquired knowledge to solve problems in unfamiliar contexts within their field of study, including multidisciplinary scenarios.

Students should be able to integrate knowledge and address the complexity of making informed judgments based on incomplete or limited information, including reflections on the social and ethical responsibilities associated with the application of their knowledge and judgments.

Students should communicate conclusions and underlying knowledge clearly and unambiguously to both specialized and non-specialized audiences.



Students should demonstrate self-directed learning skills for continued academic growth.

Students should possess and understand foundational knowledge that enables original thinking and research in the field.

## DESCRIPTION OF CONTENTS

### **1. Consumer theory: the consumption decision**

- 1.A Preferences and utility
- 1.B The feasible set
- 1.C The consumption decision

### **2. Consumer theory: duality**

- 2.A The comparative statics of consumer behaviour
- 2.B The expenditure function
- 2.C Duality theory and the Slutsky equation

### **3. Production and costs**

- 3.A The production function
- 3.B Short-run costs
- 3.C Long-run cost minimization

### **4. The competitive equilibrium**

- 4.A Short-run profit maximization
- 4.B Short-run competitive equilibrium: economic efficiency
- 4.C Long-run competitive equilibrium: the constant cost industry

### **5. Market failures**

- 5.A Firms with market power: the case of the monopoly
- 5.B Externalities and public goods
- 5.C Uncertainty and asymmetric information

## WORKLOAD

**PRESENCIAL ACTIVITIES**

Activity	Hours
Theory	40,00
Classroom practices	10,00
<b>Total hours</b>	<b>50,00</b>

**NON PRESENCIAL ACTIVITIES**

Activity	Hours
Attendance at other activities	0,00
Individual or group project	0,00
Independent study and work	75,00
Preparation of lessons	0,00
Preparation for assessment activities	0,00
Resolution of case studies	0,00
<b>Total hours</b>	<b>75,00</b>

**TEACHING METHODOLOGY**

The course is organized in theoretical and practical classes that are dedicated to the resolution of exercises of problem sets. For its part, the student must solve individually a set of problems corresponding to the different problem sets (homework). The subject materials (class notes and questionnaires) will be available in the virtual classroom. In the practical classes, the teacher will invite the students to participate in the resolution of the exercises.

**EVALUATION**

The mark of the **first call** will correspond to 10% with homework, 20% with the partial exam and 70% with the final exam. Continuous assessment activities are recoverable. Homework is not a requirement to be able to attend the exams, although the value of the homework not presented will be deducted from the final grade. The final exam will cover the theoretical and practical contents of the entire subject and to pass the subject, the student must obtain a minimum of 30% in the final exam. The exams will include theoretical and practical questions. If the student does not take the final exam, the grade that will be recorded in the official document issued by the University of Valencia will be that of not presented, unless the student requests in writing the continuous evaluation grade appears.

The mark of the **second call** will correspond to 100% with the mark obtained from the completion of a written exam. The exam will cover the contents of the theoretical and practical classes explained in the first call, and will include theoretical and practical questions.

**REFERENCES**

- Jehle, Geoffrey A., and Philip J. Reny (2011). Advanced Microeconomic Theory, 3rd ed., Pearson



Education.

- Kreps, David (2013). Microeconomic Foundations, Princeton University Press.
- Rubinstein, Ariel (2012). Lectures Notes in Microeconomic Theory: The Economic Agent, 2nd ed., Princeton University Press.
- Varian, Hal R. (1992). Microeconomic Analysis, 3rd ed., W.W.W. Norton & Co. Existe traducción al español: Análisis Microeconómico, 3ª ed., Antoni Bosch, 1993.
- Gravelle, Hugh and Ray Rees (2004). Microeconomics, 3rd ed., Prentice Hall/Financial Times. [G&R]
- Muñoz-García, Félix (2017). Advanced Microeconomics Theory. An Intuitive Approach with Examples, MIT Press.
- Serrano, Roberto and Allan M. Feldman (2017). A Short Course in Intermediate Microeconomics with Calculus, Cambridge University Press.
- Mas-Colell, Andreu, Michael D. Whinston and Jerry R. Green (1995). Microeconomic Theory, Oxford University Press.
- Nicholson, Walter and Christopher Snyder (2017). Microeconomic Theory: Basic Principles and Extensions, 12th ed., Cengage.
- Osborne, Martin J., and Ariel Rubinstein (2020). Models in Microeconomic Theory, OpenBook Publishers.
- Kandori, Michihiro (2023). Mighty Microeconomics, Cambridge University Press.
- Perloff, Jeffrey (2020). Microeconomics: Theory and Applications with Calculus, 5th Global ed., Pearson Education.