

Approval date: 20/06/2022

COURSE GUIDE

Microeconomics 1 (2391118)

Grado (Bachelor's Degree)	Grado en Economía		Branch	Social and Legal Sciences			
Module	Formación Básica		Subject	Economía			
Year of study	1 ^o	Semester	2 ^o	ECTS Credits	6	Course type	Core course

PREREQUISITES AND RECOMMENDATIONS

- Students should have appropriate skills on basic mathematical analysis: representation of functions, solving equations with one/two unknowns, partial derivatives, optimization subject to equality constraints.

BRIEF DESCRIPTION OF COURSE CONTENT (According to the programme's verification report)

- Consumer Choice
- Production and Costs
- Equilibrium: product market, factor market and general equilibrium.

SKILLS

GENERAL SKILLS

- CG01 - Skills in dealing with the ideas and the environment they are involved in.
- CG02 - Cognitive comprehension skills.
- CG03 - Ability to analyse and summarise.
- CG05 - Oral and written communication skills in Spanish.
- CG07 - Ability to manage information.
- CG08 - Problem-solving skills.
- CG10 - Ability to work in a team.
- CG11 - Ability to work in an interdisciplinary team.
- CG13 - Skills in interpersonal relationships.
- CG16 - Ability to engage in critical and self-critical reasoning.
- CG17 - Ability to learn and work autonomously.
- CG24 - Ability to apply knowledge to practice.
- CG25 - Ability to search for information and research.

SUBJECT-SPECIFIC SKILLS



- CE15 - Know and apply the basic concepts of Economics.
- CE16 - Know and apply the basic concepts of Microeconomics.
- CE17 - Identify and anticipate economic problems relevant to the general allocation of resources in the public and private sector.
- CE18 - Understand the economic choice criteria of agents, the economic role of the State, and the economic cycle and the policies to stabilise it.
- CE19 - Understand that, in addition to the ability to derive and prove logical or mathematical propositions, intuition must be used, as it will help to decide which theories or propositions can be applied in a given context.
- CE20 - Know and apply the basic concepts of Macroeconomics.
- CE21 - Use basic quantitative tools for diagnosis and analysis.
- CE22 - Bring rationality to the analysis and description of any aspect of economic reality.
- CE23 - Evaluate the consequences of alternative courses of action and select the best ones given the objectives.
- CE24 - Understand economic institutions as the result and application of theoretical or formal representations of how the economy works.

TRANSFERABLE SKILLS

- CT02 - Know, understand and apply the different economic models to provide rationality to the analysis and description of any aspect of reality, and be able to know the economic choice criteria of the different agents that make up society.

LEARNING OUTCOMES

- The purpose of this course is to provide basic concepts, objectives and instruments of Microeconomics: concept of preferences and utility function, budget constraint, optimal choice, firm technology and supply function.
- Students will be able to understand the concept of consumer demand and compute it for different utility functions. At the same time, they will be able to calculate the supply function for different technologies.
- Additionally, students will estimate the changes in the consumer demand caused by changes in the prices of the goods and/or in the income of the agent.

PLANNED LEARNING ACTIVITIES

THEORY SYLLABUS

- BLOCK I: CONSUMER BEHAVIOUR
 - Lesson 1: Consumer preferences
 - Preferences. Cases.
 - Indifference Curves.
 - Types of Preferences.
 - Lesson 2: Utility Function.
 - Definition.
 - Marginal Utility and Marginal Rate of Substitution.
 - Examples of Utility Functions.
 - Lesson 3: Budget Constraint
 - Budget Line and Budget Set.



- Budget Line: Variations.
- Lesson 4: Consumer Choice
 - Optimal Choice.
 - Consumer Demand.
 - Examples of Demand Function.
- BLOCK II: DEMAND
 - Lesson 5: Comparative Statics
 - Variation in Income. Variation in the Price.
 - Variation in other goods prices.
 - Examples by types of preferences.
 - Lesson 6: Slutsky Equation.
 - Substitution Effect. Income Effect..
 - Total change in Demand.
 - Substitution Effect: Hicks.
 - Lesson 7: Market Demand
 - From Individual Demand to Market Demand.
 - Sentitivity Indicators.
 - Consumer Surplus.
- BLOCK III: THEORY OF THE FIRM
 - Lesson 8: Technology and Production
 - Technology and Production.
 - Returns to Scale.
 - Lesson 9: Firm's Choice
 - Profit Maximization.
 - Cost Minimization.
 - Lesson 10: Cost Curve.
 - Long-Run Average Cost Curve.
 - Cost Function and Return to Scale.
 - Short Run Average Cost Curve.
 - Lesson 11: Market Supply
 - Competitive Firm's Supply.
 - Market Supply.

PRACTICAL SYLLABUS

- Seminars/Workshops
 - Lessons 1-4: Consumer Behaviour
 - Lessons 5-7: Demand
 - Lessons 8-11: Production

RECOMMENDED READING

ESSENTIAL READING

- Serrano, R. and Feldman, A.M. (2018), A Short Course in Intermediate Microeconomics with Calculus. Cambridge University Press.
- Varian, H. (2009), Intermediate Microeconomics: A Modern Approach. Norton & Company.
- Jiménez, N. y Molis, E. (2013), Microeconomía I, segunda edición, Editorial Técnica AVICAM (in Spanish).



COMPLEMENTARY READING

- Frank, R.H. (2008): Microeconomics and Behaviour, seventh edition, McGraw Hill.
- Miller R.L. and R.E. Meiners (1991), Microeconomics, McGraw-Hill.
- Pindyck R.S and Rubinfeld D.L. (1995): Microeconomics, Prentice-Hall.

RECOMMENDED LEARNING RESOURCES/TOOLS

<http://www.core-econ.org/>

TEACHING METHODS

- MD01 - Docencia presencial en el aula
- MD02 - Estudio individualizado del alumno, búsqueda, consulta y tratamiento de información, resolución de problemas y casos prácticos, y realización de trabajos y exposiciones.
- MD03 - Tutorías individuales y/o colectivas y evaluación

ASSESSMENT METHODS (Instruments, criteria and percentages)

ORDINARY EXAMINATION DIET

- According to the Normativa de evaluación y de calificación de los estudiantes de la Universidad de Granada (last update approved on October 26, 2016), students' evaluation will be based on public and objective criteria and it will be primarily continuous.
- The evaluation will be structured as follows:
 - Final Exam, 60%. This exam will be a test questionnaire. Wrong answers will be penalized.
 - Evaluation of each thematic block, 30%. At the end of each thematic block, an individually evaluable test of knowledge will be carried out. There will be a total of 3 tests and each of them will score 10% of the overall grade.
 - Participation in classes and practical exercises, 10%.
- In order to pass the subject, it is required to get a grade higher or equal to 3 (out of 10) in the final exam. Otherwise, the global mark will be "non passed", with the numeric grade resulting from the minimum between 2.5 and the weighted sum of the three components of the assessment.

EXTRAORDINARY EXAMINATION DIET

- According to Artículo 8 of the Normativa de Evaluación vigente, the student has the option to choose a unique final evaluation. The student will need to apply for this alternative in the first two weeks of the subject's teaching period (or in the first two weeks from his/her enrolment at the subject) and via procedimiento electrónico, to the head of the department, providing all reasons that justify the inadequacy of the continuous evaluation (labor, health, disability or any other plausible motive). Such evaluation is understood as the one made in a unique academic act in order to prove that the student has achieved all competences aforementioned.



- It will consist in a unique test exam. Incorrect answers will be penalized. The final grade will be exactly the score of this exam.

SINGLE FINAL ASSESSMENT (evaluación única final)

- It will consist in a unique test exam. Incorrect answers will be penalized. The final grade will be exactly the score of this exam.

ADDITIONAL INFORMATION

- The department of Economic Theory and History, according to the Normativa para la atención al estudiantado con discapacidad y otras necesidades específicas de apoyo educativo (approved in 20th September, 2016), will encourage the right to education of those students with disabilities and other specific necessities of educative support. All necessary measures to ensure their effective inclusion will be adopted, warranting their right to an inclusive education, according to non-discrimination principles, equality of opportunities and universal access with the aim of developing their personal capacities as much as possible and, in general, to achieve the goals established for all students.
- Information contained in this course guide might be updated in case of unexpected events, normative changes or new guidelines adopted by health authorities, the University or the Faculty.

