

Microeconomics

UGRA_006716

Departments	Department of Economics, Finance & Accounting
Teaching Languages	English, Spanish, Catalan
ECTS	6
Teacher responsible	Juan Pedro Aznar Alarcón - juanpedro.aznar@esade.edu Josep Domenech Ponsi - josep.domenech@esade.edu Daniel Sanchez Moscona - daniel.sanchez6@esade.edu

Course Goals

Microeconomics is an introductory course to Microeconomics analysis. The objective of the course is to learn the main tools economists apply to understand how markets work, tools that will be useful for Management and Business, as they can help to make better strategic decisions. The learning objectives can be summarized as follows:

1. Identify the different market structures and be capable of discussing the consequence of the market structure for one particular industry.
2. Understand the role of the demand and supply as key drivers of prices and output for any market. Students will be capable of determine how the interaction between supply and demand shocks may affect the market equilibrium.
3. Apply tools from the economic analysis, particularly different elasticities, to particular markets to better understand the effect of market interventions on markets, price controls, taxes and subsidies.
4. To classify the main market failures, understanding the consequences for different stakeholders of the presence of externalities and the alternatives to correct these externalities.
5. To work with data and assess if, based on a preliminary analysis, data confirms some hypotheses based on Economic Theory.
6. Introduce market structures such as the Monopoly and monopolistic competition.

In a nutshell the objective of the course is help students to develop their analytical and critical thinking skills, as well, as understanding how Economics is a basic tool in Management as it provides with tools to make better decisions.

Previous

No previous knowledge is required.

knowledge

Basic Calculus and Algebra are useful to work with some of the economic models we will study.

Prerequisites

This course has not prerequisites. A basic knowlegede of Algebra and Calculus facilitiates understanding how Maths tools are applied on Economic Analysis.

Teaching methodology

Class sessions are divided in lecture sessions, in which the professor responsible for each session will introduce the concepts and have class discussions about the different topics covered in the syllabus, and seminars, in which the class is divided into two groups and practices through numerical exercises, case analysis, readings and data analysis exercises.

The Moodle off the subjects will provide additional material for the students:

- 1.Short videos with exercises solved.
2. A Power Point presentation for each topic.
- 3, List of exercises, questions and cases analysis with solutions.

It is important for the teaching method to be effective that students participate actively in class and prepare in advance the exercises and questions for the seminars.

Description

Course contribution to program

Economic Analysis contributes to a better understanding the framework in which firms operate, the interactions between firms and how economic policies influence firms and markets.

Microeconomics is about understanding particular markets. Elasticities, entry barriers, product differentiation or externalities play all a relevant role in how markets work and understanding them helps Managers to make more informed decisions and provide them valuable tools for the decision-making process.

Two relevant concepts in Economics we will explore in different scenarios are efficiency and inequality.

Short description

Microeconomics is an inntroductory course about how Economic Analysis can be a useful tools for Managers and Governments in their making-decision process.

Helps managers to develop a more solid strategy by considering the particular features of each particular markets. Provide governments with tools to measure, analyze and correct different market failures.

Program Learning Objectives

BBA20-Bachelor of Business Administration (BBA)

- General Management Skills
 - Recognise the economic, legal and social concepts that define the context of companies and other organisations, their scope of action and their potential clients.
- Responsible Leadership
 - Recognise the impact that business decisions have on the organisation itself, society and the environment.
- Systemic Thinking
 - Analyse a business problem using tools, frameworks and perspectives in an integrative way.

GEL23-Bachelor of Global Governance, Economics and Legal Order

- General Management Skills
 - Recognise the economic, legal and social concepts that define the context of different stakeholders in the context of international relations and global governance.
 - Responsible Leadership
 - Recognize the social impact of international organizations and governments decisions.
 - Critical and Analytical Thinking
 - Apply relevant techniques and tools to analyze and evaluate economic and financial information.
 - International Relations and Global Governance
 - Apply geopolitical analysis to decision-making by the different actors involved in international relations.
 - Economic Analysis
 - Assess the behaviour of different actors (governments, companies and international organisations) through economic analysis and available empirical evidence.
- G30:H37

GEL25-Bachelor of Global Governance, Economics and Legal Order

- General Management Skills
 - Recognise the economic, legal and social concepts that define the context of different stakeholders in the context of international relations and global governance.
- Responsible Leadership
 - Recognize the social impact of international organizations and governments decisions.
- Critical and Analytical Thinking
 - Apply relevant techniques and tools to analyze and evaluate economic and financial information.
- International Relations and Global Governance

- Evaluate different alternatives of governance models and public policies taking into account their impact in terms of efficiency and equity.

- Economic Analysis

- Assess the behaviour of different actors (governments, companies and international organisations) through economic analysis and available empirical evidence.

Bibliography

Jeffrey Perloff, Microeconomics, Pearson Global Edition, 97812922115624 (Book)

Robert S Pindyck, Microeconomics, Pearson, 978-0134184241 (Book)

Paul Krugman and Robill Wells, Microeconomics, McMillan (Book)

Activities

In-class discussions and debates

Students are expected to be active members of the class participating , by answering questions from professors and contributing to class debates in which there is a deep discussion of different topics from Microeconomics.

Analytical exercises

Some classes students are divided in two groups to review the topics covered from a practical perspective through case analysis, numerical exercises and the use of Excel for data analysis.

Written and/or oral exams

There two exams. A midterm exam and a final exam. The written exam can have many different structures, they can include numerical questions, case analysis, questions to apply Economics to different situations and multiple choice questions.

The objective of the written exams is to assess the individual progress of the student, how the student applies economic analysis tools to different contexts.

Project development and presentation

The project, in which students work in groups is an activity that fosters work team culture and contributes to student communication and interpersonal skills. In the project students are expected to gather data, analyze the data and apply to a concrete market and social problem tools from Economics to provide a proposal, discussing the pros and cons.

Content

#	Topic
1	Introduction to Economics. 1.1. Economics as a Social Science. 1.2. Microeconomics and Macroeconomics. 1.3. The concept of opportunity cost and the production possibility frontier. 1.4. Utility and price. Marginal analysis. 1.4. Introduction to Market structures. 1.5. Market concentration and introduction to competition policy.
2	2.1. Introduction to demand, supply and market equilibrium. 2.2. Demand and its drivers.

#	Topic
2	2.3. Supply and its drivers. 2.3. Market equilibrium and market dynamics. 2.4. Elasticities analysis. 2.5. Welfare analysis: efficiency and inequality.
3	3.1. Labour market and minimum wage. 3.2. Housing market and maximum price.
4	4.1. Inputs, technology and production. 4.2. Productivity: Marginal product and average product. 4.3. Cost types and cost curves. 4.4. Long-run versus short-run cost structure. 4.4. Profit maximization. 4.5. Long-run profits and entry barriers.
5	5.1. Market failures and their implications. 5.2. Externalities, 5.2. Managing externalities: taxes, subsidies and property rights. 5.3. Monopoly. 5.4. The regulation of the Monopoly. 5.5. Product differentiation and monopolistic competition.

Assessment

Tool	Assessment tool	Category	Weight %
Written and/or oral exams	Midterm exam	Retake and ordinary round	25.00%
Written and/or oral exams	Final exam	Retake and ordinary round	40.00%
Group project	Group project	Retake and ordinary round	25.00%
Individual or team exercises	Class participation	Retake and ordinary round	10.00%

PROGRAMS

BBA20-Bachelor of Business Administration (BBA) (Undergraduates: Business)
BBA20 Year 1 (Basic)

BBA23-Bachelor of Business Administration (BBA) (Undergraduates: Business)
BBA23 Year 1 (Basic)

BBA25-Bachelor of Business Administration (BBA) (Undergraduates: Business)
BBA25 Year 1 (Basic)

DBAI23-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)

DBAI23 Year 1 (Basic)

DBAI25-Double Degree in Business Administration and Business and Artificial Intelligence (Undergraduates: Business)

DBAI25 Year 1 (Basic)

GBD20-Double Degree in Business Administration and Law (Undergraduates: Law)
GBD20 Year 1 (Basic)

GBD23-Double Degree in Business Administration and Law (Undergraduates: Law)
GBD23 Year 1 (Basic)

GBD25-Double Degree in Business Administration and Law (Undergraduates: Law)
GBD25 Year 1 (Basic)

GBL24-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)

GBL24 Year 1 (Basic)

GBL25-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)

GBL25 Year 1 (Basic)

GDL23-Double Degree in Law and Global Governance, Economics and Legal Order (Undergraduates: Law)
GDL23 Year 1 (Basic)

GDL25-Double Degree in Law and Global Governance, Economics and Legal Order (Undergraduates: Law)
GDL25 Year 1 (Basic)

GEL23-Bachelor of Global Governance, Economics and Legal Order (Undergraduates: Law)
GEL23 Year 1 (Basic)

GEL25-Bachelor of Global Governance, Economics and Legal Order (Undergraduates: Law)
GEL25 Year 1 (Basic)

GRL23-Bachelor of Global Governance, Economics and Legal Order (Undergraduates: Law)
GRL23 Year 1 (Basic)