**GUÍA DOCENTE** 2014/15

<table>
<thead>
<tr>
<th>Centre</th>
<th>321 - Faculty of Economics and Business Studies</th>
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<tr>
<td>Plan</td>
<td>GECONO30 - Bachelor’s Degree in Economics</td>
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<tr>
<td>Ciclo</td>
<td>Indiferente</td>
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<tr>
<td>Curso</td>
<td>Second year</td>
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SUBJECT

25833 - Microeconomics

Créditos ECTS: 6

COMPETENCIAS/DESCRIPCION/OBJETIVOS

Course objective:

The main objective of this course is to provide a thorough assessment of the fundamental aspects of the theory of consumer’s choice which were already introduced in "Introduction to Economics I". The course also deals with general equilibrium analysis and social welfare analysis of barter economies.

Specific skills of the course:

1) To be able to characterize in a mathematical way how consumers make choices in such a way as to achieve as much utility as possible subject to a budget constraint. To achieve this, it will be necessary:
   a. To obtain a consumer’s budget constraint, given his/her income and the price of goods.
   b. To obtain a consumer’s preferences and the utility function that represents them.
2) To be able to derive a demand curve using the utility-maximization model.
3) To be able to formalize the results and to interpret them in economic terms, as well as to implement comparative static analysis in order to study the effect of changes in key economic variables in those results.
4) To be able to identify, assess and model some economic aspects related to efficiency, general equilibrium and equity.

Cross-cutting skills of the course:

1) C3: To be able to critically reason and decide in relevant frameworks. Analyze the information verbally, analytically, and graphically.
2) C6: Development of writing communication skills; especially the ability to elaborate clear and coherent reports.
3) C8: The ability to work in teams; with responsibility and respect, entrepreneurship and leadership. We encourage the participation of students in team-work processes.

TEMARIO

1. Markets and prices
   1.1 Supply and demand.
   1.2 Market mechanisms.
   1.3 Changes in the market equilibrium.

2. Preferences
   2.1 Axioms of rational choice.
   2.2 Utility.
   2.3 Indifference curves and the Marginal Rate of Substitution.
   2.4 Examples.

3. Utility maximization and choice
   3.1 Budget constraint. Changes in the budget constraint.
   3.2 Utility maximization.
   3.3. Expenditure minimization.

4. Individual’s demand
   4.1 Income and substitution effects.
   4.2 The individual’s demand curve.
   4.3 Compensated demand curves.
   4.4 Change in consumer welfare.
   4.5 Substitutes and complements.

5. Market demand
5.1 Market demand curve: construction and shifts.
5.2 Elasticity of market demand.

6. Exchange and economic efficiency
6.1 Efficiency in an exchange economy.
6.2 Exchange with initial endowments.
6.3 Competitive equilibrium in exchange economies.
6.4 Criteria to achieve social welfare.
6.5 Social welfare functions: efficiency and equity issues.

TIPOS DE DOCENCIA

<table>
<thead>
<tr>
<th>Tipo de Docencia</th>
<th>M</th>
<th>S</th>
<th>GA</th>
<th>GL</th>
<th>GO</th>
<th>GCL</th>
<th>TA</th>
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Leyenda:
M: Magistral  S: Seminario  GA: P. de Aula  GL: P. Laboratorio  GO: P. Ordenador
GCL: P. Clínicas  TA: Taller  TI: Taller Ind.  GCA: P. de Campo

Aclaraciones:
This course is best suited to a lecture format, although there will also be practical sessions and seminars. In the practical sessions the lecturer will solve some exercises related to the subject. In the seminars, students will be asked both to solve individually multiple-choice questions covering the issues developed in lectures and practical sessions and to solve in groups practical cases or theoretical questions.

EVALUACION
- Examen escrito a desarrollar
- Examen escrito tipo test
- Realización de prácticas (ejercicios, casos o problemas)
- Trabajos en grupo

Aclaraciones:
Grading will be based on both the results of the different seminar assignments (30% of the final mark) and a final exam (70% of the final mark). In the seminars, students will be asked both to solve individually multiple-choice questions covering the issues developed in lectures and practical sessions and to solve in groups practical cases or theoretical questions. The dates of the partial exams will be made public on the platform Moodle at the beginning of the course. Students who will make the partial exams but who will not make the final exam will be graded as "No presentado." The second exam (2ª convocatoria) will represent 100% of the grade. The dates of all final exams will be established by the Deanship. Students, officially exempt from the continuous evaluation (evaluación continua), will be graded on basis of the final exam that will represent 100% of the final grade.

MATERIALES DE USO OBLIGATORIO
Basic bibliography and problem sets provided by the lecturers of the subject. The problem sets will be published on the platform Moodle on a topic-by-topic basis.

BIBLIOGRAFÍA

Bibliografía básica


Bibliografía de profundización

Revistas

Direcciones de internet de interés