

Academic Year: (2021 / 2022)

Review date: 09-09-2020

Department assigned to the subject:

Coordinating teacher: DOMENECH FELIU, JORDI

Type: Compulsory ECTS Credits : 6.0

Year : 1 Semester : 1

OBJECTIVES**Core Competences**

Possess and understand knowledge that provides a basis or opportunity to be original in the development and/or application of ideas, often in a research context.

Students know how to apply their acquired knowledge and problem-solving skills in new or unfamiliar settings within broader (or multidisciplinary) contexts related to their field of study.

Students are able to integrate knowledge and face the complexity of making judgments based on incomplete or limited information that includes reflections on the social and ethical responsibilities linked to the application of their knowledge and judgments.

Students know how to communicate their conclusions and the knowledge and the reasons behind them to both specialised and non-specialised audiences in a clear and unambiguous way.

Students possess the learning skills that will enable them to continue studying in a way that will be largely self-directed or autonomous.

General Competences

To understand the main economic analytical tools.

To evaluate and compare the different contributions to important debates in social economics from an analytical, methodological and empirical point of view.

To evaluate the internal logic of a scientific publication by examining the consistency between theory, analytical strategy, indicators, results and conclusions.

To understand and know how to synthesize the main theories into one or more contemporary debates in the social sciences.

Specific Competences

Apply formal models in the study of strategic decisions, negotiation and delegation processes and collective action phenomena.

Apply models from Economic Science to decentralized decision-making in market economies.

Apply models from Economic Science in the decision making of families and companies.

Learning outcomes

1. Ability to use economic analysis both in terms of decision making by individual agents, as well as the adjustment of prices and balance of markets and the effect of decisions on consumption, production, investment in the aggregate of the economy.

2. Understanding the fundamental tools used in economics to study the evolution of economies and living standards in the long term.

3. Ability to apply partial or general equilibrium models to contemporary problems and debates. Especially, to have the ability to evaluate counterfactual exercises using partial or general equilibrium models, as well as to evaluate the effects of aggregate shocks on the evolution of the economy.

4. Ability to understand the formation, functioning and integration of markets, as well as their imperfections (asymmetric information, externalities, uncertainty).

DESCRIPTION OF CONTENTS: PROGRAMME

1. Scarcity and pure exchange. Microeconomics and Macroeconomics. Normative economy and positive economy. Opportunity cost and comparative advantage.

2. The function of demand. Marginal utility and individual demand. Aggregate demand. Movements and displacements of demand.

3. The supply curve. Marginal costs and supply of the product by the individual company. Aggregate supply. Movements and displacements of the supply curve. Elasticity of demand and elasticity of

supply.

4. Market equilibrium. Efficiency and equity in the market: the consumer's surplus and the producer's surplus.
 - (a) Partial and general equilibrium.
 - (b) Balance and efficiency in pure exchange economies.
 - (c) First and second theorem of welfare.
 - (d) Balance and efficiency in production economies.
5. Market intervention and welfare effects: price controls, quantity controls, taxes and subsidies.
6. Market failures I: Imperfect competition (monopoly, oligopoly and monopolistic competition). Asymmetric information: moral hazard and adverse selection.
7. Market failures II: Externalities and public goods.
 - (a) Public responses to externalities.
 - (b) Private responses to externalities.
 - (c) Coase theorem.

LEARNING ACTIVITIES AND METHODOLOGY

Training Activities

Theoretical class

Practical classes

Tutorials

Individual student work

Teaching Methodologies

Presentations in the professor's lecture room with computer and audiovisual support, in which the main concepts of the subject are developed and a bibliography is provided to complement the students' learning.

Critical reading of texts recommended by the subject professor:

Press articles, reports, manuals and/or academic articles, either for later discussion in class, or to expand and consolidate knowledge of the subject.

Resolution of practical cases, problems, etc. raised by the professor, either individually or in a group.

Presentation and discussion in class, under the moderation of the professor, of topics related to the content of the subject, as well as practical case studies.

Developing pieces of work and reports, individually or in group.

ASSESSMENT SYSTEM

Weekly exercises 30%

Partial examination 30%

Final exam 40%

BASIC BIBLIOGRAPHY

- Pindyck, Robert; Rubinfeld, D. Microeconomics, Pearson, 2017
- Varian, Hal Intermediate Microeconomics: a modern approach, WW Norton, 2019