

SUBJECT: PRINCIPLES OF ECONOMICS

STUDIES: SEVERAL

YEARS: 1st and 2nd

TERM: 1st and 2nd

**SCHEDULE OF TEACHING**

Week	Session	DESCRIPTION OF THE TOPICS OF THE SESSION	GROUP			STUDENT WEEKLY WORK		
			LECTURE	CLASS	ROOM	DESCRIPTION	Teaching hours	Total hours (máx. 7)
1	1	I. INTRODUCTION: The basic economic problem: limited resources and pure exchange. Microeconomics and Macroeconomics. Normative and positive economics.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
1	2	Opportunity cost and comparative advantages. Exercise: opportunity cost and exchange. Questions about concepts seen in class.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
2	3	II. MICROECONOMICS: The demand function. Marginal utility and individual demand. Aggregate demand. Movements and shifts.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
2	4	Simple graphs, demand graphs and problems about the demand.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
3	5	The supply curve. Marginal cost and individual supply. Aggregate supply. Movements and shifts. Elasticity of demand and supply.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
3	6	Problems: markets and elasticity.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
4	7	The market equilibrium. Market efficiency and market equity: consumer surplus and producer surplus.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
4	8	Exercises on the market equilibrium and efficiency.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
5	9	Market intervention and its effects on welfare: price controls, quantity controls, taxes, subsidies.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
5	10	Exercises on the effects of market intervention.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
6	11	Market failure I: Imperfect competition (monopoly, oligopoly, monopolistic competition) Asymmetric information: moral hazard and adverse selection.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
6	12	Problems on monopoly. Discussion on cases of asymmetric information.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
7	13	Market failure II: externalities and public goods.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
7	14	Discussion on externalities cases and public goods.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	

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			LECTURE	CLASS		DESCRIPTION	Teaching hours	Total hours (máx. 7)
8	15	III. MACROECONOMICS: Macroeconomic aggregates. GDP: definition and measurement.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
8	16	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
9	17	Savings and Investment. Labour Market. Consumer Price Index and Inflation.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
9	18	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
10	19	Money. Financial and monetary systems. The Central Banks and monetary policies. Money and inflation.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
10	20	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
11	21	Open economies. Trade balance and international capital flows. Nominal and real exchange rate.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
11	22	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
12	23	Economic fluctuations. Aggregate demand and aggregate supply. Short run and long run.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	5
12	24	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
13	25	Fiscal policy. Multiplier and crowding out. Monetary policy, interest rate and aggregate demand. Debate on the adequacy of active economic policies.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	4
13	26	Problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
14	27	Summary, review and preparation of the final exam.	x			Reading and solving exercises and/or executing assigned homeworks.	1,5	4
14	28	Review, problems, practical exercises and discussion.		x		Reading and solving exercises and/or executing assigned homeworks.	1,5	
Partial sum of hours							42	68
Subtotal hours							<b>110</b>	
15		Extra teaching hours, tutorials, homework handling, etc					10	
16-18		Study time and examination					3	27
Total hours							<b>150</b>	