



**UCAM**  
UNIVERSIDAD  
CATÓLICA DE MURCIA

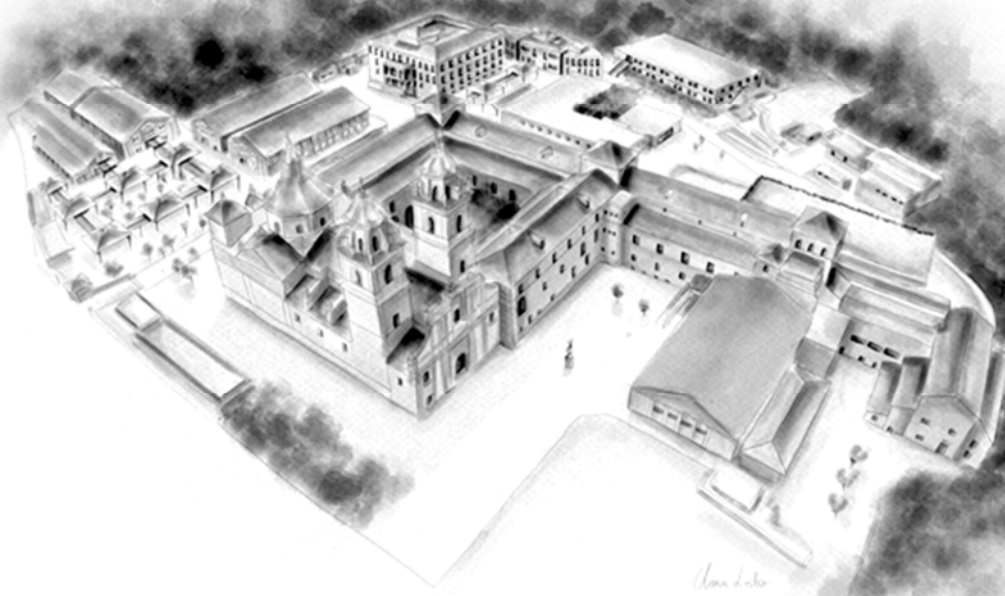
*20 años*  
*de educación,*  
*amor y servicio*

# Teaching Guide 2017/2018

## Microeconomics II

Bachelor Business Administration

Face-to-face mode



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## Microeconomics II

### Microeconomics II

Module: **Economics Theory.**

Field: **Microeconomics.**

Character: **Basic Training.**

ECTS: **6 ECTS.**

Time period: **First Course, second semester**

Teacher: **Alfonso Rosa García**

Email: ameseguer@ucam.edu

Student's attention timetable: **Mondays 17:30**

Module coordinator teacher: **Fernando Torrejón**

### Brief Description

In the subject "Microeconomics II" the student will know the fundamentals production theory from which the student will analyze the business behavior and the formation of the offer function. This will allow understanding the trade functioning in perfect competence. Other trade structures will be studied (monopoly, monopolistic competence and oligopoly), as well as introduction to the strategic analysis.

### Previous requisites

In order to maximize learning results in this course, the student must have sufficient knowledge of algebra, calculus and analytical geometry.

Specifically, they must be capable of solving equations and systems, calculating limits and derivatives, and having a degree of skill in presenting and interpreting functions.

### Objetives

To train professionals able to perform management tasks, advice and assessment in the productive organizations. In order to achieve these goals the student must:

1. The producer's behavior and its action in the market.
2. The shortage and the assignment of resources, the price system, production theory, competitive balance, non-competitive balance, economic efficiency and well-being theory.
3. The theoretical fundamentals in the decision making.
4. The business basic theory, its organization and functional areas.

### Competences and training results

#### Cross curricular subjects

(T1) Analysis and synthesis ability

(T2) ) Planning and organization ability

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(T3) Oral and written communication in native language

(T6) Ability of information management

(T7) Problem solving

(T8) Decision making

(T14) Critical reasoning

(T16) Autonomous learning

(T24) Ability to reflect

(UCAM1) Be able to express correctly in Spanish matters related to this professional field.

(UCAM3) Be able to project knowledge, abilities and skills acquired to promote a society based in freedom, justice, equality and pluralism values.

## Specific Competences

(E9) Know and apply the Microeconomics basic concepts.

(E19) Acquire the ability to apply the knowledge in practice

(E24) Identify the impact of the microeconomic elements in the business organizations.

(E37) Identify and use suitable mathematical and statistic tools.

(E57) Communicate fluently within the work scope and work in team

## Training results

- Understand, think thoroughly and systematize microeconomic contents.
- Manage and organize the information acquired during the learning process in the microeconomics area.
- Put into words the field ideas correctly either in written or oral format.
- Organize and know how to use the information from different contexts necessary for a suitable understanding of microeconomics.
- Acquire the necessary abilities to solve the problems in the microeconomics scope.
- Issue a sentence and take a critical stage facing the different situations in the resolution of microeconomics problems.

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- Manage in a proactive way the learning process of the Microeconomics.
- Generate learning abilities in order to go on learning within the Microeconomics scope.
- Value the significance of the suitable performance of their work in the resolution of problems and items in the scope of microeconomics.
- Think in a critical reasoned way about question related to the study within the scope of microeconomics.
- Use correct terminology when carrying out both in written and oral tasks.
- Acquire an ethic compromise in the construction of a democratic and plural society by understanding the most compromising aspects of microeconomics.
- Have and understand knowledge of Microeconomics supported by books with some aspects that involve knowledge from the avant-garde in their field of study.
- Know the business man optimal behavior.
- Identify the different market models.
- Know and understand the concept of competitive balance and non-competitive markets.
- Know and apply microeconomics knowledge to the practice by means of the elaboration and exposition of well-documented arguments.
- Analyze the business cost and production functions.
- Know how to apply accurately the proceedings of function optimization.
- Know and apply the knowledge to maximize the business benefits.
- Analyze business behavior in different market models.
- Know how to show graphically the economic functions.
- Communicate properly information, ideas, problems and solutions within the microeconomics scope.
- Solve problems and exercises in work teams.
- Use a logical structure and write correctly.
- Use correct accounting terminology when carrying out tasks.

## Methodology

| Methodology                          | Hours      | Hours of work Face-to-face | Hours of work Non Face-to-face |
|--------------------------------------|------------|----------------------------|--------------------------------|
| Lectures (65%)                       | 39         | 60 hours (40%)             |                                |
| Practice teaching: workshop (8%)     | 4,8        |                            |                                |
| Assessment (7%)                      | 4,2        |                            |                                |
| Tutorials (20%)                      | 12         |                            |                                |
| Personal study                       | 40,5       |                            | 90 hours (60%)                 |
| Tasks (30%)                          | 27         |                            |                                |
| Practical teaching preparation (15%) | 13,5       |                            |                                |
| Bibliographic search (10%)           | 9          |                            |                                |
| <b>TOTAL</b>                         | <b>150</b> | <b>60</b>                  | <b>90</b>                      |

## Contents

### Unit 1: The production

- 1.1. Production technology
- 1.2. The isoquants
- 1.3. The production with a variable factor
- 1.4. The production with two variable factors
- 1.5. Returns to scale
- 1.6. Practice cases.

### Unit 2: The cost of production

- 2.1. Costs economic analysis
- 2.2. Costs in the short term
- 2.3. Costs in the long term
- 2.4. The isocost line.
- 2.5. The expansion path or scale line
- 2.6. Relationship among the long and short term curves.
- 2.7. Practice cases

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### Unit 3: The perfect competition

- 3.1. Benefit analysis
- 3.2. Perfect competition
- 3.3. Supply curve in perfect competition.
- 3.4. The competition balance in the long term
- 3.5. Efficiency and equity in competitive markets
- 3.6. Practice cases.

### Unit 4: The monopoly

- 4.1. The monopolistic market
- 4.2. Medium, marginal and total income for the monopoly man
- 4.3. The production decision
- 4.4. Monopoly power
- 4.5. Monopoly social costs.
- 4.6. Practice cases.

### Unit 5: Monopolistic competition and the oligopoly

- 5.1. The monopolistic competition market
- 5.2. The oligopoly
- 5.3. *Cournot* model
- 5.4. *Stackelberg* model
- 5.5. Competence opposite to collusion
- 5.6. Practice cases

### Unit 6: General balance and economic efficiency.

- 6.1. The interchange
- 6.2. Partial analysis versus general analysis.
- 6.3. The markets balance
- 6.4. Practical cases

### Unit 7: The externalities and the public goods

- 7.1. The positive and negative externalities
- 7.2. The public goods

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7.3. Problems of asymmetric information

7.4. Practice cases

## Connection with other subjects of the study plan

This subject is connected to: Microeconomics I, Microeconomics II, World Economics and Spain Economics.

## Sistema de evaluación

February/June call

### - **Written exams (80%)**

There will be two exams with theory-practice questions and the solving of assumptions about the contents studied. The first exam will be worth 30% and second exam 50%, of the total grade.

### - **Student's involvement (20%)**

The student's involvement in the training activities that conform the subject will be assessed through the issuing and correction of the exercises, tasks, case studies and problems carried out individually and in groups; the public presentation of some of these tasks.

At the end of each unit the student will be given a notebook with practical items to be solved individually and later handed out for its correction, discussion and idea-sharing session.

The assimilation of the concepts explained in the lectures will be assessed through a task:

- a) At the beginning of each thematic block the students will be asked individually or in groups to express their knowledge of the matter, even if they very basic.
- b) At the end of the block, they will be asked the same to be compared with what shown at the beginning.

As complementary work, the teacher will start a debate in class, about current economic problems, referred to news in Television or in the press or economic forums, etc.

September call

-Written exam: 80% total degree



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- Training sessions: (20%) of the total note.

### Rating system:

According to art.5 of RD 1125/2003, students will be graded according to the numeric scale from 0-10 with a decimal. A qualitative grade can be added:

Fail (SS) 0-4,9

Pass (AP) 5,0-6,9

Good (NT) 7,0-8,9

Distinction (SB) 9,0-10

The "Honors" mention can be awarded to students with a degree of 9,0 or higher. Honors cannot be awarded to more than 5% of a class students each academic year. For classes with less than 20 students a mention will be awarded.

## Bibliography and reference sources

### Basic bibliography

- Pindyck, R. and Rubinfeld. D. (2017). *Microeconomics (8th Edition)*. Pearson.
- Acemoglu, Laibson and List (2017). *Economics (2nd Edition)*. Pearson.

### Complementary bibliography

- Krugman and Wells (2017). *Microeconomics (5th Edition)*. Worth Publishers.
- Mankiw (2017). *Principals of Economics (8th Edition)*. South-Western College Pub.

## Webs associated

- <http://www.ine.es/en/welcome.shtml> Spanish Statistical Office
- [http://www.mineco.gob.es/portal/site/mineco/?lang\\_chosen=en](http://www.mineco.gob.es/portal/site/mineco/?lang_chosen=en) Spanish Ministry of Economy, Industry and Competitiveness
- <https://sede.minetur.gob.es/en-US/Paginas/principal.aspx> Ministry of Energy, Tourism and Digital Agenda
- <https://www.bde.es/bde/en/> Bank of Spain

## Study recommendations

We recommend to study every day in order to ask doubts from the beginning of each class.

## Didactic material

It will be necessary to have a PC with all the necessary programs installed (text editor, spreadsheet, presentation tools, etc.) We also recommend students to use memory devices (USB, CDs or DVDs) to make easier the interchange of information in presentations such as Power Point, exercises, case study, etc., during the face-to-face classes. We also recommend the use of calculator and access to the Internet.

## Tutorials

Academic tutorial:

These tutorials have the aim of consolidating knowledge and abilities taught in the classes of the subject, at the same time will help to solve problems and doubts asked by the students. There will be an assessment and follow up time of the different tasks in order to contribute to the understanding of the subject methodology and systems of assessment.

Personal Tutorial:

The university also has a Special Body that have tutorials with the students enrolled in the degree. All students registered in UCAM have a personal tutor from the Special Tutors Team, when they register for the first time in the university, hence the student has this accompaniment during the complete university period. Criteria and aspects can be consulted in:

<http://www.ucam.edu/servicios/tutorias/preguntas-frecuentes/que-es-tutoria>