



| Teaching Guide      |  |        |  |         |
|---------------------|--|--------|--|---------|
| Identifying Data    |  |        |  | 2019/20 |
| Subject (*)         | Microeconomics: Markets and Competition  | Code   | 611G02012  |         |
| Study programme     | Grao en Administración e Dirección de Empresas   |        |  |         |
| Descriptors         |  |        |  |         |
| Cycle               | Period   | Year   | Type   | Credits |
| Graduate            | 1st four-month period  | Second | Obligatory   | 6       |
| Language            | SpanishEnglish   |        |  |         |
| Teaching method     | Face-to-face   |        |  |         |
| Prerequisites       |  |        |  |         |
| Department          | Economía   |        |  |         |
| Coordinador         | Sanchez De Paz, Elena  | E-mail | elena.sanchez@udc.es   |         |
| Lecturers           | Alló Pazos, María<br>Calo Blanco, Aitor<br>Garcia Cebro, Juan Antonio<br>Mendez Naya, Jose<br>Novo Peteiro, Jose Antonio<br>Sanchez De Paz, Elena<br>Varela Santamaria, Ramon                      | E-mail | maria.allo.pazos@udc.es<br>aitor.calo@udc.es<br>j.a.garciac@udc.es<br>jose.mendez@udc.es<br>jose.novop@udc.es<br>elena.sanchez@udc.es<br>r.varela@udc.es |         |
| Web                 |  |        |  |         |
| General description | The aim of this subject is to show a general perspective of how markets work. The analysis of these issues is carried out by means of both simple mathematical models and graphic representations. |        |  |         |

| Study programme competences / results |   |
|---------------------------------------|---|
| Code                                  | Study programme competences / results   |
| A4                                    | Elaborate advisory reports on specific situations of companies and markets  |
| A6                                    | Identify the relevant sources of economic information and to interpret the content.   |
| A7                                    | Understand economic institutions as a result and application of theoretical or formal representations which explain the evolution of the economy.   |
| A8                                    | Derive, based on from basic information, relevant data unrecognizable by non-professionals.   |
| A10                                   | Read and communicate in a professional environment at a basic level in more than one language, particularly in English  |
| A11                                   | To analyze the problems of the firm based on management technical tools and professional criteria   |
| A12                                   | Communicate fluently in their environment and work by teams   |
| B1                                    | CB1-The students must demonstrate knowledge and understanding in a field of study that part of the basis of general secondary education, although it is supported by advanced textbooks, and also includes some aspects that imply knowledge of the forefront of their field of study |
| B2                                    | CB2 - The students can apply their knowledge to their work or vocation in a professional way and have competences typically demonstrated by means of the elaboration and defense of arguments and solving problems within their area of work  |
| B3                                    | CB3- The students have the ability to gather and interpret relevant data (usually within their field of study) to issue evaluations that include reflection on relevant social, scientific or ethical   |
| B4                                    | CB4-Communicate information, ideas, problems and solutions to an audience both skilled and unskilled  |
| B5                                    | CB5-Develop skills needed to undertake further studies learning with a high degree of autonomy  |
| B6                                    | CG1-Perform duties of management, advice and evaluation in business organizations   |
| B7                                    | CG2-Know how to use the concepts and techniques used in the various functional areas of the company and understand the relationships between them and with the overall objectives of the organization   |
| B8                                    | CG3- Know how to make decisions, and, in general, assume leadership roles.  |
| B9                                    | CG4-Learn to identify and anticipate opportunities, allocate resources, organize information, select and motivate people, make decisions under conditions of - uncertainty, achieve the proposed objectives and evaluate results  |
| B10                                   | CG5-Respect the fundamental and equal rights for men and women, promoting respect of human rights and the principles of equal opportunities, non-discrimination and universal accessibility for people with disabilities.   |



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|----|--|
| C1 | Express correctly, both orally and in writing, in the official languages of the autonomous region  |
| C4 | To be trained for the exercise of citizenship open, educated, critical, committed, democratic, capable of analyzing reality and diagnose problems, formulate and implement knowledge-based solutions oriented to the common good |
| C5 | Understand the importance of entrepreneurial culture and know the means and resources available to entrepreneurs   |
| C6 | Assess critically the knowledge, technology and information available to solve the problems and take valuable decisions  |
| C7 | Assume as professionals and citizens the importance of learning throughout life.   |
| C8 | Assess the importance of research, innovation and technological development in the economic and cultural progress of society.  |

| Learning outcomes  |                                       |                                  |                      |
|--|---------------------------------------|----------------------------------|----------------------|
| Learning outcomes  | Study programme competences / results |                                  |                      |
| Learn the basic concepts and relationships of the Microeconomic Theory.  | A6<br>A7<br>A10<br>A11<br>A12         | B1<br>B2<br>B3<br>B4<br>B5<br>B9 | C1<br>C4<br>C8       |
| Identify economic opportunities in order to benefit from them; assign scarce resources; assess final outcomes; etc. Respect the basic human rights and the ideal of equality of opportunity. | A4<br>A8                              | B6<br>B7<br>B8<br>B9             | C5<br>C6             |
| Develop the students' critical awareness and the value of effort.  |                                       | B2<br>B4<br>B10                  | C4<br>C6<br>C7<br>C8 |
| Learn how to work in groups.   | A10<br>A12                            | B6<br>B8<br>B9<br>B10            | C1<br>C7             |

| Contents                                  |  |
|---|--|
| Topic                                     | Sub-topic  |
| INTRODUCTION                              | 0. Introduction  |
| PART I: MARKET POWER                      | 1. Market Power: Monopoly<br><br>2. The social costs of monopoly power. Price regulation<br><br>3. Monopsony and factor markets<br><br>4. Price discrimination |
| PART II: GAME THEORY AND ITS APPLICATIONS | 5. Theoretical framework and definitions. The Nash equilibrium<br><br>6. Oligopolies: Non-cooperative games<br><br>7. Cooperative and repeated games           |

|                 |
|-----------------|
| <b>Planning</b> |
|-----------------|



| Methodologies / tests          | Competencies / Results                                  | Teaching hours (in-person & virtual) | Student?s personal work hours | Total hours |
|--------------------------------|---|--------------------------------------|-------------------------------|-------------|
| Problem solving                | A7 A8 A11 B1 B9 C6                                      | 10                                   | 20                            | 30          |
| Directed discussion            | A12 B2 B4 B10 C1<br>C4 C6                               | 8                                    | 16                            | 24          |
| Case study                     | A4 A11 B2 B6 B8 B9<br>C5                                | 7                                    | 10.5                          | 17.5        |
| Objective test                 | A6 A8 A11 B3 B5 C1                                      | 4                                    | 32                            | 36          |
| Seminar                        | A6 A10 A12 C1 C4<br>C6 C7 C8                            | 4                                    | 0                             | 4           |
| Workbook                       | A10 C1 C4 C5 C6 C7<br>C8                                | 0                                    | 5                             | 5           |
| Guest lecture / keynote speech | A6 A7 A8 A11 B1 B2<br>B3 B4 B5 B6 B7 B8<br>B9 B10 C6 C7 | 17                                   | 8.5                           | 25.5        |
| Personalized attention         |   | 8                                    | 0                             | 8           |

(\* )The information in the planning table is for guidance only and does not take into account the heterogeneity of the students.

| Methodologies                  |   |
|--------------------------------|---|
| Methodologies                  | Description   |
| Problem solving                | Practical issues to be solved during the interactive sessions.  |
| Directed discussion            | Theoretical and practical issues to be solved during the ineteractive sessions.   |
| Case study                     | Students must face particular problems (the case) that describe real or supposed professional situations. Students must be able to analyse and solve such problems. |
| Objective test                 | Written test that may combine multiple choice questions, sorting, shortanswer and/or discrimination.  |
| Seminar                        | Students are divided into two subgroups. Seminars will consist of four hours for each subgroup during the course.   |
| Workbook                       | Lecturas de artigos de difusión, prioritariamente en lingua estranxeira   |
| Guest lecture / keynote speech | Lectures with media support that may be completed with the introduction of questions to students to encourage interactive learning.                                 |

| Personalized attention  |  |
|---|--|
| Methodologies   | Description  |
| Problem solving<br>Directed discussion<br>Case study<br>Seminar | Interactive sessions aim to deal individually with all students in order to monitor their performance. |

| Assessment          |                           |  |               |
|---------------------|---------------------------|--|---------------|
| Methodologies       | Competencies / Results    | Description  | Qualification |
| Problem solving     | A7 A8 A11 B1 B9 C6        | The handing over of the solution to the exercises proposed by the teachers will be assessed.   | 10            |
| Directed discussion | A12 B2 B4 B10 C1<br>C4 C6 | The handing over of the solution to the exercises proposed by the teachers will be assessed.   | 10            |
| Case study          | A4 A11 B2 B6 B8 B9<br>C5  | The handing over of the solution to the exercises proposed by the teachers will be assessed.   | 10            |
| Objective test      | A6 A8 A11 B3 B5 C1        | In addition to the January and July written tests, midterm exams will be set. These exams will count for the final mark of the course. | 70            |



## Assessment comments

In order to pass the subject any student must obtain, at least, 5 points of a maximum of 10. Additionally, s/he needs to get at least 3 points (of a maximum of 7) in the final written exam. The student will get the "No Presentado" final mark in the case in which s/he does not take part in at least 20% of the assessments activities.

All the issues that will be covered throughout the term are described in the Syllabus. The sources of information to follow the course are detailed in the References. Those who have to make use of the second opportunity (July) to pass the subject will be evaluated exactly as those who have passed the subject in the first opportunity (January). Those who use the "early opportunity" must get at least 5, out of 10, to pass the subject. The same criterion will be applied to the part time students and to those who have the "dispensa académica de exención de asistencia", as regulated by the UDC's regulation.

## Sources of information

|                      |   |
|----------------------|---|
| <b>Basic</b>         | <ul style="list-style-type: none"> <li>- Pindyck, R S and Rubinfeld, D L (2018). Microeconomía. Pearson</li> <li>- Carrasco A. y otros (2013). Microeconomía. Ejercicios y cuestiones. McGraw-Hill</li> <li>- Frank, Robert H. (2009). Microeconomía Intermedia. Análisis y comportamiento económico. McGraw-Hill</li> <li>- Goolsbee, Austan; Levitt, Steven; Suverson, Chad (2015). Microeconomía. Reverte</li> <li>- Gibbons, Robert (1993). Un primer curso de teoría de juegos. Antoni Bosch</li> <li>- Varian, H R (2011). Microeconomía intermedia. Antoni Bosch</li> <li>- Antelo, Manuel (2014). Economía de la Información. McGraw-Hill</li> <li>- Vega Redondo, F (2000). Economía y Juegos. Antoni Bosch</li> <li>- Pindyck, R S and Rubinfeld (2013). Microeconomics. Pearson</li> <li>- Varian, H R (2010). Intermediate Microeconomics. Norton</li> <li>- Krugman, P and Wells, R (2013). Microeconomics.</li> <li>- Gibbons, R. (). A Primer in Game Theory. Prentice Hall</li> <li>- Vega-Redondo, F (). Economics and the Theory of Games. Cambridge</li> </ul> |
| <b>Complementary</b> | <ul style="list-style-type: none"> <li>- Fernández de Castro, J.; Duch Brown, N. (). Economía Industrial. McGraw-Hill</li> <li>- Gracia, Esperanza; Pérez, Rafaela (). Cuestiones Tipo Test de Microeconomía Intermedia. Prentice Hall</li> <li>- Estrin, Saul; Laidelr, David (). Microeconomía. Prentice Hall</li> <li>- Datz, Michael, L.; Rosen, Harvey L. (). Microeconomía. Adison.Wesley Iberoamericana</li> <li>- Nicholson, Walter (). Microeconomía Intermedia y Aplicaciones. Thomson</li> <li>- Congregado, E. y otros (). Microeconomía. Cuestiones y problemas resueltos. Prentice Hall</li> <li>- Tugores, J.; Fernández de Castro, J. (). Microeconomía: Cuestiones y Problemas. McGraw-Hill</li> <li>- Nicholson, Walter (). Teoría Microeconómica. McGraw-Hill</li> <li>- Nicholson, Walter (). Teoría Microeconómica. Principios Básicos y Ampliaciones. Thomson</li> <li>- Fernández de Castro, J.; Tugores, J. (1997). Microeconomía. McGraw-Hill</li> </ul>   |

## Recommendations

### Subjects that it is recommended to have taken before

Principles of Microeconomics/611G02001  
 Mathematics I/611G02009  
 Mathematics II/611G02010

### Subjects that are recommended to be taken simultaneously

Mathematics II/611G02010

### Subjects that continue the syllabus

### Other comments



Students are encouraged

to attend the lectures and to show an important level of participation. We strongly recommend the use of the textbooks mentioned in the sources of information. Additionally, students should try to solve the exercises set during the lectures. When handing any assessment the student should: -not use plastics. -print two-faced. -use recycled paper. -avoid unnecessary printouts. Everybody is kindly asked to facilitate the full integration of those with special needs.

**(\*)The teaching guide is the document in which the URV publishes the information about all its courses. It is a public document and cannot be modified. Only in exceptional cases can it be revised by the competent agent or duly revised so that it is in line with current legislation.**