



EC201 Microeconomics Semester 1 2014/15

Objective	<p>This is an intermediate Microeconomics course which aims to explain more fully the concepts and techniques of Microeconomics that you learned in first year while also introducing you to further fundamental Microeconomics concepts and theories. The course will start with an introduction to the theory of consumer choice which explains how individuals choose what to consume given their income, prices and preferences. This theory will be used to explain why demand curves are downward sloping and to explain the income and substitution effect of a price change. You will also learn how consumer choice theory can be used to answer a range of interesting questions such as should consumers receive a per unit subsidy or a lump sum? Which would make the consumer better off? The next section of the course will deal with producer theory. You will learn how firms make production decisions in the short run and in the long run before reviewing the two main types of market structures, perfect competition and monopoly. This will be followed by a more in-depth analysis of monopoly pricing and price discrimination. You will then be introduced to imperfect competition. You will learn about monopolistic competition, oligopoly and cartel models, and how firms make their production decisions under these market structures. You will also learn about wages, rent, interest and profit and finally, you will be introduced to Game Theory.</p>
Lecturer	<p>Breda Lally BA Department, St. Angela's College, Sligo E-mail: breda.lally@nuigalway.ie blally@stangelas.nuigalway.ie Telephone: 071 91 95545</p>
Time and Venue	<p>Lectures and Tutorials: Please see timetable for details</p>
Learning Outcomes	<p>By the end of the course students should be able to:</p> <ul style="list-style-type: none">• Explain and illustrate how individuals make rational consumer choices• Explain and illustrate how individual and market demand curves are derived• Use and apply consumer choice theory to answer a range of questions• Explain and illustrate how firms make production decisions in the short run and in the long run• Differentiate, compare and explain different types of market structures• Illustrate and explain the concept of price discrimination• Explain and apply Game Theory
Course Material	<p>Some course materials are available at https://nuigalway.blackboard.com/</p>
Core Textbook	<p><i>Microeconomics Theory and Applications, 10th Edition</i>, Wiley. Edgar K. Browning and M.A. Zupan. ISBN 978047041392. Copies available on reference in the library.</p> <p>The 11th edition of this textbook is available to purchase.</p>

	<p>Students should also consult the Student Companion Website for this book at:</p> <p>http://bcs.wiley.com/he-bcs/Books?action=index&itemId=1118065549&bcsId=6672</p> <p>It is a useful learning resource, where you can access Powerpoint slides and other useful online resources.</p> <p>Students may also find their first year textbook, Economics, useful for some topics.</p> <p>It is important that you read the core textbook in conjunction with the lecture notes presented in class. Relying on lecture notes alone is not sufficient.</p>														
Assessment	<table> <tr> <td>End of year Written Examination (2 hours)</td> <td>75%</td> </tr> <tr> <td>Two In-class tests (7th October and 18th November)</td> <td>25%</td> </tr> </table>	End of year Written Examination (2 hours)	75%	Two In-class tests (7 th October and 18 th November)	25%										
End of year Written Examination (2 hours)	75%														
Two In-class tests (7 th October and 18 th November)	25%														
Workload Hours	<table> <tr> <td>Credit weighting</td> <td>5 ECTS</td> </tr> <tr> <td>Lecture hours</td> <td>36 hours</td> </tr> <tr> <td>Tutorials</td> <td>24 hours</td> </tr> <tr> <td>Written examination</td> <td>2 hours</td> </tr> <tr> <td>In-class tests</td> <td>2 hours</td> </tr> <tr> <td>Practice assignments and independent study</td> <td>36 hours</td> </tr> <tr> <td>Total workload</td> <td>100 hours</td> </tr> </table>	Credit weighting	5 ECTS	Lecture hours	36 hours	Tutorials	24 hours	Written examination	2 hours	In-class tests	2 hours	Practice assignments and independent study	36 hours	Total workload	100 hours
Credit weighting	5 ECTS														
Lecture hours	36 hours														
Tutorials	24 hours														
Written examination	2 hours														
In-class tests	2 hours														
Practice assignments and independent study	36 hours														
Total workload	100 hours														

Course Outline

Topic	Chapter
Theory of Consumer Choice	Chapter 3
Individual and Market Demand	Chapter 4
Using Consumer Choice Theory	Chapter 5
The Theory of Production	Chapter 7
Production Costs	Chapter 8
Perfect Competition/Monopoly (Recap)	Chapter 9/11
Product Pricing with Monopoly Power	Chapter 12
Monopolistic Competition and Oligopoly	Chapter 13
Game Theory and the Economics of Information	Chapter 14
Wages, Rent, Interest and Profit	Chapter 17