

## **MICROECONOMICS**

Degree in Public Management

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Code: 13702

Main Scientific Area: Economics

Lecturer: Raquel Bernardette Vale Mendes

Language of Instruction: Portuguese

Regime: S1

Contact Hours: 45h Total Workload: 81h

ECTS: 4,5

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### **Objectives**

The main objective of the curricular unit is to give the students an articulated understanding of the basic concepts of the microeconomic theory. Following the presentation of several basic concepts in the economic domain, fundamental topics of the microeconomic will be discussed. The market mechanism of supply and demand, the behaviour of individual economic agents and their interaction in the markets, and market structures are among the topics that will be analysed.

### **Learning Outcomes**

By the end of the curricular unit, students should have knowledge of the basic microeconomic concepts and dominate the central issues of the contemporary microeconomic debate.

### **Course Contents**

1. Basic concepts in Economics
  - 1.1 Economics as a science
  - 1.2 Problem of scarcity
    - 1.2.1 Free goods and economic goods
    - 1.2.2 Production possibilities frontier
    - 1.2.3 Opportunity cost
  - 1.3 Central economic problems
  - 1.4 Economic organization systems
  - 1.5 Economic role of government
2. Theory of demand and supply
  - 2.1 Demand
  - 2.2 Supply

2.3 Market equilibrium

2.4 Elasticity

2.4.1 Price elasticity of demand and price elasticity of supply

2.4.2 Income elasticity of demand

2.4.3 Cross-price elasticity of demand

3. Theory of consumer behavior

3.1 Total utility and marginal utility

3.2 Rational consumer choice

3.3 Consumer surplus

4. Theory of the firm

4.1 Production function: short and long term

4.2 Production costs: short and long term

4.3 Production and profit maximization decisions

5. Market structures

5.1 Perfect competition

5.2 Imperfect competition

5.2.1 Monopoly

5.2.2 Oligopoly

5.2.3 Monopolistic competition

### **Recommended Bibliography**

- Frank, Robert H. Microeconomía e Comportamiento. Lisboa: McGraw-Hill.
- Mochón Morcillo, Francisco. Economía. Teoría y Política. Madrid: McGraw-Hill.
- Samuelson, Paul A. e William D. Nordhaus. Economía. Lisboa: McGraw-Hill.

### **Learning and Teaching Methods**

The syllabus was defined based on the objectives of the course and on the skills that should be acquired by students. The consistency of the course contents with the objectives of the study unit is demonstrated below.

For a better understanding of the issues addressed at the level of the microeconomic domain, the course begins with an introduction to the basic concepts of the economic theory. These concepts are included in the chapter 1 of the syllabus.

The understanding of the behaviour of the main economic agents and their interaction in the markets requires the analysis of the market based on the mechanism of demand and supply, the study of the theory of consumer behaviour and the theory of the firm, and knowledge of market structures. These issues are discussed in chapters 2 to 5 of the syllabus.

### **Assessment Methods**

#### PRESENTIAL REGIME

The evaluation regime for the curricular unit is continuous and periodical. The evaluation is based on the following elements (with the respective weights):

- Two tests (50% and 40%, respectively).
- Active participation in classes (10%).

The minimum classification required for each test is 7 values. A minimum final classification of 10 out of 20 is required for approval in the curricular unit. The realization of all evaluation elements is mandatory.

#### DISTANCE REGIME

The evaluation regime for the curricular unit is continuous and periodical. The evaluation is based on the following elements (with the respective weights):

- Mini-test performed on the platform (30%);
- Test of presential nature (70%).

The minimum classification required for the test of presential nature is 7 values. A minimum final classification of 10 out of 20 is required for approval in the curricular unit.