

Module 3: Microeconomics

Stage		1					
Semester		1					
Module Title		Microeconomics					
Module Number		3					
Module Status		Mandatory					
Module ECTS Credits		5					
Module NFQ level		6					
Pre-Requisite Module Titles		N/A					
Co-Requisite Module Titles		N/A					
Capstone Module?		No					
List of Module Teaching Personnel		Seamus Fitzpatrick, Angela O' Keefe, James O' Leary, Sean Byrne, Garret Wade					
Contact Hours				Non-contact Hours			Total Effort (hours)
34				66			100
Lecture	Practical	Tutorial	Seminar	Assignment	Placement	Independent Work	
24		10		20		46	100
Allocation of Marks (Within the Module)							
	Continuous Assessment	Project	Practical	Final Examination	Total		
Percentage Contribution	40%			60%	100%		

Intended Module Learning Outcomes

On successful completion of this module, the learner will be able to:

1. Explain the key economic problem of scarcity and choice
2. Assess the forces driving demand and supply and their impact on market conditions.
3. Calculate and interpret various economic parameters such as equilibrium price and quantity, average costs, marginal costs etc.
4. Describe the concept of elasticity
5. Explain topical economic problems and issues confidently.
6. Classify firms into different market structures and show how competitive structures influence the individual firm's behaviour
7. Apply economic analysis to everyday problems in real world situations.

Module Objectives

Economics underpins a great deal of decision-making not only in business but also in our everyday lives and as such is an essential cornerstone of this programme.

Economics is typically divided into two main branches namely microeconomics and macroeconomics. While macroeconomics is concerned with the economy as a whole microeconomics examines the individual parts of the economy and focuses on how individuals and firms make decisions and how these decisions interact.

This module is designed to introduce learners to the fundamentals of microeconomics and expose them to the principal theories and models used by economists. It demonstrates how economics can be used by individuals and businesses alike to assess problems and develop solutions.

Module Curriculum

Introduction to Microeconomics

- What is Economics?
- The Economic Problem: Scarcity and Choice
- The Production Possibility Frontier
- Different Economic Systems

Demand, Supply and Market Equilibrium

- Demand and Consumers
- Supply and Producers
- Shifts in Demand and Supply Curves
- The Determinants of Equilibrium Price and Quantity
- Demand and Supply Applications
- Price Controls and Quotas: Government Actions in Markets

Elasticity

- The Responsiveness of Demand and Supply
- Cross Price Elasticity of Demand
- Effect of Income on Demand
- Relationship between Elasticity, Total Revenue and Price
- Applications of Elasticity

Economics and Decision Making

- Decision Making by Individuals and Firms
- Behaviour Economics and Consumer Choice

Costs and Production

- The Firm's Supply Decision and Cost Behaviour
- Long Run Total, Marginal and Average Costs
- Short Run Costs and Diminishing Marginal Returns
- Returns to Scale

Market Structures

- Perfect Competition
- Monopoly
- Monopolistic Competition
- Oligopoly
- Game Theory

Market Failures and Government Policy

- Market Efficiency and Market Failures
- Government Regulation and Intervention

Wages and the Distribution of Income

- Wage Determination
- Transfer Earnings and Economic Rent
- Causes of Inequality

Reading lists and other learning materials

Begg, D., (2013) *Foundations of Economics* 5th Edition. Mc Graw Hill

Case, K., & Fair, R., Oster, S. (2013) *Principles of Economics* 10th Edition Prentice Hall

Conway, E. (2009) *50 economics ideas you really need to know* Quercus

Harford, T. (2007) *The Undercover Economist* Abacus

Krugman, P., Wells, R., & Graddy, K. (2014) *Essentials of Economics*. 3rd Edition Macmillan education

Landsburg S. (2012) *The Armchair Economist* Free Press

Levitt, S., and Dubner S. (2007) *Freakonomics* and (2010) *Superfreakonomics* Penguin

McDowell, M., Thom, R., Pastine, I., Frank, R., and Bernanke, B. (2012) *Principles of Economics*, 3rd European Edition. McGraw-Hill

Mell A, and Walker O, (2014) *The Rough Guide to Economics* Penguin

O' Leary, J., (2012) *Make that Grade; Economics*. 4th edition. Gillmacmillan.

Sloman, J., (2013) – *Essentials of Economics* 6th edition. Pearson education

Turley T., Maloney M., O Toole., F.(2011), *Principles of Economics: An Irish Text*. 4th edition. Gillmacmillan

Useful magazines and newspapers include: *The Economist, Business Plus, The Financial Times, The Sunday Business Post.*

Interesting economics blogs include:

Paul Krugman: <http://krugman.blogs.nytimes.com/>

Greg Mankiw: <http://gregmankiw.blogspot.com/>

Martin Wolf: <http://www.ft.com/comment/columnists/martinwolf>

Tim Harford: <http://timharford.com/>

David Smith: <http://www.economicsuk.com/blog/>

Useful economics apps include:

Bloomberg Business

CNBC Business News and Finance

ET- Economic Times

Economics - Oxford Dictionary

Study Econ

Module Learning Environment

The learning environment is designed to foster peer relationships that lead to successful learning. Feedback is given to the learners but also received from the learners. Lecture rooms are used for teaching purposes for the delivery of this module. Active involvement in learning is encouraged especially via tutorials and Moodle. Tutorials are structured to facilitate group discussion, share ideas and allow for further reinforcement of the lecture material using worksheets, case studies and video analysis. All lecture material is also available to learners on Moodle where forums, quizzes, etc. are also facilitated.

Module Teaching and Learning Strategy

Economics is a subject that often needs layer upon layer of reinforcement before concepts are fully digested. To facilitate this, the concepts are initially presented to the learners through formal lectures using PowerPoint slides. To ensure deep learning and strong foundations of knowledge the lecture topics where possible are linked to current economic events and business scenarios. Learners are encouraged to participate through class debates and discussion. These discussions are generally facilitated in tutorials which enable active learning and further reinforcement of the material using worksheets and case studies. Working in groups, learners are required to present to their peers and through these sessions learners receive formative feedback in a less formal environment. Videos and live links to the web are also used to generate discussion and demonstrate the currency of the material presented. All material is posted on Moodle and forums are also moderated.

Module Assessment Strategy

The assessment strategy is communicated to the learner at the beginning of the semester and includes information on the learning outcomes being assessed, module weightings, grading criteria and submission date. 40% of the module marks are allocated for continuous assessment while the remaining 60% of marks are allocated for the end of term examination.

The assessment is an individual case study which requires the learner to apply key microeconomic principles to business scenarios. On the basis of the analysis the learner is also required to make appropriate recommendations/conclusions.

Constructive Alignment of Assessment

Module Learning Outcomes	Assessment Strategy	
	Assignment	Exam
Explain the key economic problem of scarcity and choice		Yes
Assess the forces driving demand and supply and their impact on market conditions.	Yes	Yes
Calculate and interpret various economic parameters such as equilibrium price and quantity, average costs, marginal costs etc.	Yes	Yes
Describe the concept of elasticity		Yes
Debate and explain topical economic problems and issues confidently.	Yes	
Classify firms into different market structures and show how competitive structures influence the individual firm's behaviour		Yes
Apply economic analysis to everyday problems in real world situations.	Yes	