### Module 3: Microeconomics

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<td>Module Title</td>
<td>Microeconomics</td>
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<td>Module Number</td>
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<td>Module Status</td>
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<tr>
<td>List of Module Teaching Personnel</td>
<td>Seamus Fitzpatrick, Angela O’Keefe, James O’Leary, Sean Byrne, Garret Wade</td>
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<tr>
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### Allocation of Marks (Within the Module)

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### 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
• Applications of Market Failure Issues

Wages and the Distribution of Income
• Wage Determination
• Transfer Earnings and Economic Rent
• Causes of Inequality

Reading lists and other learning materials

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


Interesting economics blogs include:
Greg Mankiw: http://gregmankiw.blogspot.com/
Martin Wolf: http://www.ft.com/comment/columnists/martinwolf
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 power point 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.