



<b>Code - Course</b>	<b>721101 - Microeconomics</b>				
<b>Type</b>	Basic Training			<b>Year</b>	1
<b>Thematic Area</b>	Economy and Society			<b>Credits</b>	6 ECTS
<b>Professor in charge of the course</b>		Jordi Vives-Perez			
<b>In-class</b>	60 hours	<b>Teacher-led</b>	40 hours	<b>Individual</b>	50 hours

## BRIEF COURSE DESCRIPTION

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The Microeconomics course introduces students to the field of microeconomics with a specific focus on the economic and social dynamics of the tourism sector. It explores the fundamentals of microeconomic theory, including the analysis of demand and supply, market equilibrium, market structures, and consumer behaviour. Additionally, key concepts such as production, costs, profit maximization, and externalities are presented and applied to real-life situations within the tourism industry.

The main objective is to provide students with the analytical tools necessary to understand and address the economic challenges affecting tourism and to make informed decisions about their future professional careers in this field.

## LEARNING OUTCOMES

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The learning process designed for this course allows students to achieve the following Subject Related Learning Outcomes:

M01C1- Remember the fundamentals of microeconomics, such as the law of supply and demand and price elasticity.

Likewise, these contribute to the achievement of the following Degree Learning Outcomes:

*TC01- Interpret the structure of a hotel company and its different operational, administrative and strategic departments.*

*TC09- Identify the fundamental concepts of the global economy and its impact on society and organizations.*

They are all available for consultation [in this link](#).



## ACADEMIC CONTENTS

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### **1. Introduction to Economics.**

- 1.1. The Concept of Economics.
- 1.2. Economic Analysis Tools: Opportunity Cost and Marginal Analysis.
- 1.3. Normative and Positive Economics.
- 1.4. Introduction to Markets.
- 1.5. Measures of Concentration.
- 1.6. Measures of Market Power.

### **2. The Market.**

- 2.1. Market Demand and Its Drivers.
- 2.2. The Concept of Demand Elasticity.
- 2.3. Market Supply and Its Drivers.
- 2.4. The Concept of Supply Elasticity.
- 2.5. Market Equilibrium Condition.
- 2.6. Market Social Surplus.
- 2.7. Market Dynamics in the Tourism Sector. Circular Economy and Platform Economy.

### **3. Consumer Behaviour.**

- 3.1. Introduction to Consumer Behaviour.
- 3.2. Utility Theory.
- 3.3. Determinants of Consumer Behaviour.
- 3.4. Consumer Decision-Making Process.
- 3.5. The Black Box Model.
- 3.6. The Howard-Sheth Model.

### **4. Market Interventions.**

- 4.1. Indirect Taxes.
- 4.2. Subsidies.
- 4.3. Production Quotas.
- 4.4. Price Ceilings and Floors.
- 4.5. International Trade and Its Regulation.

### **5. Production and Costs.**

- 5.1. The Production Function.
- 5.2. Productivity.
- 5.3. The Labor Market and Wage Determination.
- 5.4. The Cost Function.
- 5.5. Short and Long-Term.
- 5.6. Equilibrium in the Competitive Market.
- 5.7. Market Dynamics in Tourism.



### 6. Market Structures (I)

- 6.1. Monopoly.
- 6.2. The Social Implications of Monopoly.
- 6.3. Monopoly Regulation.
- 6.4. Price Discrimination.
- 6.5. Monopolistic Competition and Product Differentiation.

### 7. Market Structures (II)

- 7.1. Game Theory: Simultaneous Games.
- 7.2. Game Theory: Sequential Games.
- 7.3. Oligopoly: Homogeneous Goods.
- 7.4. Oligopoly: Differentiated Goods.
- 7.5. The Dominant Firm Model.
- 7.6. Oligopoly Regulation.

### 8. Introduction to Market Failures.

- 8.1. Externalities Related to Production and Consumption.
- 8.2. Taxes and Subsidies as Means to Correct Externalities.
- 8.3. Public Goods.
- 8.4. Common Goods.
- 8.5. Introduction to Asymmetric Information: The Akerlof Model.

## LEARNING METHODOLOGY

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The learning methodologies related to this course include a wide window of different actions to set off its learning outcomes, which means a development of different kinds of capacities referred to the learning of processes and attitudes applicability in the organization's environment based on the following activities:

- **Lectures.**
- **Case studies.**
- **Guided discussions.**
- **Practice exercises.**
- **Problem-based learning.**

## ASSESSMENT SYSTEM

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The assessment system measures the student's achievement of learning outcomes regarding the subject's learning outcomes and contents.

Students may choose continuous assessment or single assessment:

**Continuous Assessment:** the teaching-learning process is assessed by a continuous monitoring of the work done by the students throughout the course and a final individual examination. Students must attend classes in order to be assessed by continuous assessment.



**Single Assessment:** for those students who cannot come to class regularly, they can choose to be assessed by single assessment. The teaching-learning process is assessed by means of the assessment of all activities and in-person individual examination at the end of the course.

To qualify for this form of assessment, students must apply within the first 15 days of the start of the course through the assessment section of Virtual Campus.

The assessment activities planning will be public for the students from the start:

Activities	Type	Continuous	Single	Week deadline <sup>1</sup>
Business Case I	Group	20%	10%	4 <sup>th</sup> week
Project: <i>Circular Economy</i>	Individual	20%	20%	7 <sup>th</sup> week
Business Case II	Group	20%	10%	12 <sup>th</sup> week
Final Exam	Individual	40%	60%	Exam Period
Total		100 %	100 %	

To pass the course, it is mandatory to have obtained a minimum final grade of "5", as long as the student has completed the individual exam/s or work/s established in the course. This exam/s or final work/s must be graded with a minimum of "4" in order to be able to calculate the average of all the assessment activities carried out during the course.

### **Revision and Reassessment of the Course**

The student has the right to revise all the evidence that have been designed for the assessment of learning.

If a student fails to achieve the learning objectives of the course, in order to opt for the subject reassessment, it will be necessary to have obtained a final grade of the subject between "4-4.9", and to have attended the individual final exam/s or final work/s of the course.

The reassessment process will only involve the modification of the final grade in case that the new assessment activity is passed and, in any case, the maximum grade will be "5". This grade will be averaged with the other grades of the assessment activities carried out by the student during the corresponding academic period, considering the percentages established in each subject, setting the final grade for the course.

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<sup>1</sup> The week deadline is an estimation which may be subject to changes that may prompt modifications to the planning or context of the syllabus.



## REFERENCES

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Carlton, Dennis W. and Perloff, Jeffrey M. (2015). *Modern Industrial Organization*.

Dans, Enrique (2019). *Viviendo en el Futuro*. Editorial Deusto.

Gay de Liébana, José M<sup>a</sup> (2020). *Revolución Tecnológica y Nueva Economía: Todos los secretos contables de Apple, Google, Facebook y Amazon al descubierto*. Editorial Planeta.

Krugman, Paul and Wells, Robin (2015). *Economics*. Worth Publishers.

Parker et al. (2016). *Platform Revolution*. Norton.

Rogers, David L. (2016). *The Digital Transformation Playbook*. Columbia Business School.

Stahel, Walter R. (2019). *The Circular Economy*. Routledge.