



<b>Course unit Descriptor</b>	<b>Faculty of Economics Subotica</b>	 <b>UNIVERZITET U NOVOM SADU</b> <b>UNIVERSITY OF NOVI SAD</b>
		
<b>GENERAL INFORMATION</b>		
Study program in which the course unit is offered	Business Informatics	
Course unit title	Microeconomics	
Course unit code	OE-101-21	
Type of course unit <sup>1</sup>	Compulsory	
Level of course unit <sup>2</sup>	First	
Semester when the course unit is offered	Winter semester	
Year of study (if applicable)	First	
Number of ECTS allocated	8	
Name of lecturer/lecturers	Viktorija Petrov	
Mode of course unit delivery <sup>3</sup>	Face-to-Face	
Course unit pre-requisites (if any)	none	
<b>PURPOSE AND OVERVIEW (max 5-10 sentences)</b>		
<p>Microeconomics is an introductory undergraduate course that teaches the fundamentals of microeconomics. This course begins with an introduction to supply and demand and the basic forces that determine an equilibrium in a market economy. Then, a framework for learning about consumer behavior and analyzing consumer decisions is introduced. Following the thorough analysis of the consumers' decision making, attention is turned to firms and their focus on optimal production. The final section of the course provides an introduction to the impact of different market structures on firms' behavior and the market imperfections. By the end of the course, students will be able to understand introductory microeconomic theory, solve basic microeconomic problems, and use these techniques to think about a number of policy questions relevant to the operation of the real economy.</p>		
<b>LEARNING OUTCOMES (knowledge and skills)</b>		
<p>Completing this course, students should have developed a range of skills enabling them to understand economic concepts and use those concepts to analyze specific questions. By the end of this course, students should be able to:</p> <ul style="list-style-type: none"> <li>- understand consumer behavior;</li> </ul>		

<sup>1</sup> Compulsory, optional

<sup>2</sup> First, second or third cycle (Bachelor, Master's, Doctoral)

<sup>3</sup> Face-to-face, distance learning, etc.

- understand firm behavior;
- analyze different types of market structures (monopoly, oligopoly, monopolistic competition and a competitive market);
- understand how to apply economic principles to a range of policy questions.

### **SYLLABUS (outline and summary of topics)**

#### **Theory**

- Introduction to Microeconomics
- The Market Economy
- The Household (Consumer Theory)
- o Preferences and Utility
- o Budget Constraints
- o Deriving Demand Curves
  - The Firm (Producer Theory)
- o Technology and Production
- o Costs
  - The Competitive Model
- o The Price-Taking Firm
- o Equilibrium in Competitive Markets
- o General Equilibrium and Welfare Economics
  - Market Power
- o Monopoly
- o Price-Making Firms
- o Oligopoly and Strategic Behavior
- o Game Theory
  - Missing Markets
- o Externalities
- o Public Goods

#### **Practice**

- Using supply and demand diagrams to analyze the impact of overall changes in supply and demand on price and quantity.
- Solving a consumer's utility maximization problem mathematically and graphically; analyzing the impact of changes in price and income on a consumer's decision via shifting income and substitution effects.
- Solving a firm's cost minimization problem mathematically and graphically.
- Analyzing the behavior of firms in a perfectly competitive market in the short-run and the long-run.
- Calculating producer and consumer surplus.
- Analyzing the behavior of firms in a monopoly or oligopoly, and calculating the resulting changes in producer or consumer surplus.
- Using economic tools to analyze economic policies.

### **LEARNING AND TEACHING (planned learning activities and teaching methods)**

Live lecture and assigned reading / research are planned as activities that focus content, while facilitated synchronous discussion and information sharing are to enhance interactivity. Case studies will be used to facilitate problem solving and help better understand application of theoretical concepts in everyday life.

### **REQUIRED READING**

1. Katz, M. L. & Rosen, H.S. (1998). Microeconomics, Irwin/McGraw Hill
2. Hall, R.E. & Lieberman, M. (2012). Microeconomics: Principles and Applications, 6th Edition, Cengage Learning

### **ASSESSMENT METHODS AND CRITERIA**

Lectures and class discussion. Case studies and group work. Students' activities during classes will be awarded with 10 points, 2 tests with 80 points in total and oral exam with 10 points.

### **LANGUAGE OF INSTRUCTION**

English