MODULE DESCRIPTION

Module code	full-time studies:	**Z-ZIP1-E-107**
	part-time studies:	**Z-ZIPN1-E-107**
Module name	**Microeconomics**	
Module name in Polish	**Mikoekonomia**	
Valid from academic year	**2019/2020**	

MODULE PLACEMENT IN THE SYLLABUS

Field of study	**MANAGEMENT AND PRODUCTION ENGINEERING**
Level of education	**1st degree**
Studies profile	**General**
Form and method of conducting classes	**Full-time and Part-time**
Specialisation	**All**
Unit conducting the module	**Department of Economics and Finance**
Module co-ordinator	**Oleksandr Oksanych, PhD, DSc, ProfTit**
Approved by:	**Dariusz Bojczuk, PhD, DSc**

MODULE OVERVIEW

Type of subject / group of subjects	**Basic**
Module status	**Compulsory**
Language of conducting classes	**English**
Module placement in the syllabus - semester	**Semester I**
Initial requirements	**No requirements**
Examination (YES/NO)	**YES**
Number of ECTS credit points	**6**

Method of conducting classes		Lecture	Classes	Laboratory	Project	Other
Per semester	full-time studies:	**45**	**30**			
	part-time studies:	**27**	**18**			

TEACHING RESULTS AND THE METHODS OF ASSESSING TEACHING RESULTS

Category	Symbol	Learning outcomes	Assignations to the directional learning outcomes
Knowledge	W01	A student has knowledge of the essence of microeconomics as a science of economic processes on the level of an enterprise and its market environment. A student also knows basic principles and methods of microeconomics.	ZIP1_W10
	W02	A student knows basic notions and categories of microeconomics. A student knows basic laws of market functioning and the mechanisms of self-regulation.	ZIP1_W10
	W03	A student knows basic principles of searching optimal states in microeconomics. Has knowledge of the functioning of the enterprise in the market economy in the conditions of monopolistic competition, oligopoly and monopoly.	ZIP1_W13
Skills	U01	A student can correctly distinguish the types of markets and describe functioning conditions of an enterprise on each of them.	ZIP1_U12
	U02	A student can correctly formulate and explain basic notions in microeconomics, their contents, and relationships among them.	ZIP1_U13
	U03	A student can use appropriate mathematical tools to justify decision-making in microeconomics.	ZIP1_U14
Social competences	K01	As student understands the necessity of continuous raising his/her professional qualifications in relation to the changing market conditions.	ZIP1_K02
	K02	A student identifies and solves problems of economic practice having their reflection in microeconomics as well as evaluates the rationality of the decisions made by business entities as regards knowledge of enterprise functioning in the market economy.	ZIP1_K04
	K03	A student is ready to co-operate and act in a team, communicate effectively, and act ethically in order to make rational decision as regards microeconomics in a business entity.	ZIP1_K05

TEACHING CONTENTS

Method of conducting classes	Teaching contents
Lecture	**Current socio-economic systems.** The description of the market economy. The evolution of the market system in the countries of developed capitalism. The description of the centrally planned economy. Classical economics. Neo-classical economics. **Market, supply, and demand.** The notion and functions of the market, market classification. Demand and its determining factors. The demand law. Supply and its determining factors. The supply law. Market equilibrium price. Buyer's market and seller's market. The mechanism of restoring market equilibrium. **The concept of supply and demand elasticity.** Supply and demand elasticity. Graphical interpretation of elasticity. Measuring supply and demand elasticity. Price elasticity of demand. The price effect and the quantity effect of price change. Substitution and income effect. Supply elasticity and measuring it. **Income and mixed elasticity of demand.** Income elasticity of demand. Necessity and luxury goods. Inferior and normal goods. Cross elasticity of demand. Complementary and substitute goods. Marginal rate of substitution. **The rudiments of the consumer choice theory. The choice of the current consumption structure.** Total utility. Final utility. Budget constraint line. Indifference curve. The condition concerning optimal choice of the structure of consumer current consumption. **The rudiments of the consumer choice theory, part 2. The basis of choice between worktime and free time. Consumption optimisation in time.** The basis of choice between worktime and free time. The line of payment. The choice between current and future consumption. The line of market constraints. The optimisation of consumption structure in time. The influence of interest rates on the consumption structure in time. **The concept of an enterprise, its objectives and characteristics.** The concept of an enterprise. The types of enterprises. The objectives of enterprise activity in market and centrally planned economy. Assets, funds, and the financial result of an enterprise. **The rudiments of the production theory.** The notion of production. Factors of production. Short run production theory. Total, average, and marginal products. The law of diminishing returns. Long run production theory. Isoquant and isocost. Optimisation of production factors use. The selection of production techniques. **Costs, takings, and profit of an enterprise.** Short run costs. Total, fixed, and variable costs. Average and marginal costs. Total, average, and marginal takings. Economic and normal profits. Opportunity cost. Closing price. Long run costs. Scale effects. The sources of economies and diseconomies of scale. **Equilibrium of a perfect competition enterprise.** The conditions for functioning of an enterprise on a perfect market. Average and marginal takings on a perfect market. The concept of break-even point. Incomes and profits of a perfect competition enterprise. The condition of equilibrium of an enterprise on a perfect market. **Equilibrium of an enterprise on an imperfect market.** The conditions for functioning of an enterprise on an imperfect market. Average and marginal takings on an imperfect market. The condition of equilibrium of an enterprise on an imperfect market. Monopolistic enterprise. Types of monopolisation. Anti-monopoly legislation. **The models of an imperfect market.** Sweezy's oligopoly model and Cournot's duopoly model. Chamberlin's model of mo-

		nopolistic competitiveness.
		The fundamentals of the neo-classical distribution theory. Income and assets diversification. The measures of disproportion. Circular flow of incomes and expenses. Principal factors determining income distribution. Classical distribution theory. The Lorenz curve and the Gini index. **Factor market.** Marginal productivity theory. Average and marginal factor cost. The value of a marginal product of a factor. Marginal income from a product of a factor. The condition of equilibrium of an enterprise on a factor market. Labour market. Perfect labour market. Imperfect labour markets. Economic rent. Capital market. Current and future value of money. Measures of investment effectiveness.
	Classes	**Basic concepts and the essence of economics.** Identification of problems as regards economics. Management process. Property, the classification of property. Resource limitations. Production-possibility frontier. The methods of economic research. Economic models. **Modern socio-economic systems.** The characteristics of market and centrally planned economies. The role of the state in economy. Classical and neoclassical economics. The functions of the state as regards economy. **Market, supply, and demand.** The notion and functions of the market, market classification. Demand and its determining factors. The demand law. Supply and its determining factors. The supply law. Market equilibrium price. Buyer's and seller's markets. The mechanism of restoring market equilibrium. **The concept of supply and demand elasticity.** The coefficients of supply and demand elasticity. The interpretation of the coefficient value. The methods of calculating the coefficients of supply and demand elasticity. Price elasticity. Arc elasticity. Price elasticity of demand. The price effect and the quantity effect of price change. **Income and mixed elasticity of demand.** Income elasticity of demand. Necessity and luxury goods. Inferior and normal goods. Cross elasticity of demand. Complementary and substitute goods. Marginal rate of substitution. **The rudiments of the consumer choice theory. The choice of the structure of current consumption**. Discussing such notions as: *total utility* and *final utility*. Calculating final utility. Determining the placement of budget constraint line. Indifference curve. The condition of optimal choice regarding the structure of consumer current consumption. **The notion of an enterprise, its activity targets and characteristics.** Discussing the types of enterprises. Assets, funds, and the financial result of an enterprise. The analysis of balance sheet components in an enterprise. **The rudiments of the production theory.** Discussing the notions of the *total product*, *average product*, and *final product*. Calculating the value of the final product. The law of diminishing returns. Discussing the concepts of *isoquant* and *isocost*. Optimising the use of factors of production. **Costs, takings, and profit of an enterprise.** Short run costs. Total, fixed and variable costs. Total, average, and marginal takings. Economic and normal profits. Opportunity cost. Closing price. Long run costs. Scale effects. The sources of economies and diseconomies of scale. **Equilibrium of a perfect competition enterprise.** The conditions for functioning of an enterprise on a perfect market. Average and marginal takings on a perfect market. The concept of the break-even point. Incomes and profits of a perfect competition enterprise. The condition of equilibrium of an enterprise on a perfect market. Solving tasks connected with determining enterprise equilibrium state on a perfect market. **Equilibrium of an enterprise on an imperfect market.** The conditions for functioning of an enterprise on an imperfect market. Average and marginal takings on an imperfect market. The condition of equilibrium of an enter-

prise on an imperfect market. Monopolistic enterprise. Types of monopolisation. Anti-monopoly legislation.

The fundamentals of the neo-classical distribution theory.
Income and assets diversification. The measures of disproportion. Circular flow of incomes and expenses. Principal factors determining income distribution. Classical distribution theory. The Lorenz curve and the Gini index.

Factor markets.
Discussing the following notions: average and marginal factor cost, the value of a marginal product of a factor, and marginal income from a product of a factor. The condition of equilibrium of an enterprise on a factor market. Labour market. Solving tasks connected with determining enterprise equilibrium state on a factor market. Labour market. A perfect labour market. Imperfect labour markets. Economic rent. Capital market. Current and future value of money. NPV, BEP, and IRR measures of investment effectiveness.

METODS OF ASSESSING TEACHING RESULTS

Symbol	Methods of checking the learning outcomes *(select X)*					
	Oral exam	**Written exam**	**Test**	**Project**	**Statement**	**Other**
W01		X				
W02		X	X			
W03		X	X			
U01		X	X			
U02		X	X			
U03	X	X	X			
K01			X			
K02			X			
K03			X			

FORM AND CONDITIONS OF PASSING

Form of classes	Form of credit	Passing conditions
Lecture	Exam	Obtaining at least 50% correct answers on the written test (follow-up test).
Classes	Credit with grade	Obtaining at least 50% correct answers from the exercise tasks.

STUDENT WORKLOAD

<table>
<tr><th colspan="9">Balance of ECTS points</th></tr>
<tr><td rowspan="2">No.</td><td rowspan="2">Type of student's activity</td><td colspan="5">Student's workload</td><td rowspan="2">Unit</td></tr>
<tr><td colspan="2" align="center">full-time</td><td colspan="3" align="center">part-time</td></tr>
<tr><td rowspan="2">1.</td><td rowspan="2">Participation in the activities</td><td>Lc</td><td>C</td><td>Lb</td><td>P</td><td>O</td><td>Lc</td><td>C</td><td>Lb</td><td>P</td><td>O</td><td rowspan="2">h</td></tr>
<tr><td>45</td><td>30</td><td></td><td></td><td></td><td>27</td><td>18</td><td></td><td></td><td></td></tr>
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No.	Type of student's activity	full-time	part-time	Unit
2.	Other (consultation, exam)	4 / 2	4 / 2	h
3.	**Number of hours of a student's assisted work**	**81**	**51**	h
4.	**Number of ECTS credit points which are allocated for assisted work**	**3,2**	**2,0**	ECTS
5.	Number of hours of a student's unassisted work	**69**	**99**	h
6.	**Number of ECTS credit points which a student receives for unassisted work**	**2,8**	**4,0**	ECTS
7.	**Work input connected with practical classes**	**60**	**60**	h
8.	**Number of ECTS credit points which a student receives for practical classes**	**2,4**	**2,4**	ECTS
9.	Total number of hours of a student's work	**150**	**150**	h
10.	**Punkty ECTS za moduł** *1 ECTS=25 hours*	**6**		ECTS

LITERATURE

1. Krugman P., Wells R. (2018), *Microeconomics*, Sixth Edition, Macmillan Learning.
2. Mankiv N.G. (2020), *Principles of Microeconomics*, Eighth Edition. Cengage Learning.
3. Perloff J. (2023), *Microeconomics*, Global Edition. Pearso.