

Microeconomics

Course	Microeconomics	Code	EME213G
Year of Study	2nd Year	Semester	3
Hours	68	ECTS	6
Prerequisites	Economics 101 Calculus	Teaching language	English

Main Objectives

The objective of this course is to introduce the student to the study of microeconomics using mathematical models to understand the behavior of economic agents, applying the relevant theories and their corresponding applications.

Units and content.

Unit	Content
I. Demand, Supply, Equilibrium and Distortions	The economic problem Efficiency Production possibilities frontier Supply and demand Elasticity Price control
II. Consumer Behavior	Indifference curves. Marginal Rate of Substitution. Budget constraint. Consumer Choice. Changes in Prices and Income. Consumer demand. Income and Substitution Effects.
III. Business Behavior	The production function. Short-run production function: total, average and marginal product and the law of diminishing marginal returns. Long-run production function: isoquants, marginal rate of transformation between factors, isocost, minimization of the total cost of production for a given quantity. Total cost function in the short and long run. Average cost and marginal cost.
IV. Competitive Market Analysis	Perfectly competitive markets Net profit maximization Competitive firm's demand Short-term supply Consumer and producer surplus