MODULE DESCRIPTION

Module code	**z-0007z**
Module name	**Mikroekonomia**
Module name in English	**Microeconomics**
Valid from academic year	**2016/2017**

A. MODULE PLACEMENT IN THE SYLLABUS

Field of study	**Management and Production Engineering**
Level of education	**1st degree** *(1st degree / 2nd degree)*
Studies profile	**General** *(general / practical)*
Form and method of conducting classes	**Full-time** *(full-time / part-time)*
Specialisation	**All**
Unit conducting the module	**The Department of Economics and Finances**
Module co-ordinator	**Prof. Oleksandr Oksanych, PhD hab.**
Approved by:	

B. MODULE OVERVIEW

Type of subject/group of subjects	**Basic** *(basic / major / specialist subject / conjoint / other HES)*
Module status	**Compulsory** *(compulsory / non-compulsory)*
Language of conducting classes	**English**
Module placement in the syllabus - semester	**1st semester**
Subject realisation in the academic year	**Winter semester** *(winter semester/ summer)*
Initial requirements	**No requirements** *(module codes / module names)*
Examination	**Yes** *(yes / no)*
Number of ECTS credit points	**5**

Method of conducting classes	Lecture	Classes	Laboratory	Project	Other
Per semester	**45**	**30**			

C. TEACHING RESULTS AND THE METHODS OF ASSESSING TEACHING RESULTS

Module target	The aim of the module is to familiarise students with basic elements of the theory of economy concerning enterprise activity and its closest environment. Theoretical fundamentals of microeconomics include the following: the rules of market functioning, the fundamentals of the consumer choice theory, the fundamentals of the production theory, and the fundamentals of the distribution theory. Practical aspects concerns decisions which are made by an enterprise in order to provide optimal states in terms of utilising production factors, achieving the desired levels of costs, gross receipts and profits.

Effect symbol	Teaching results	Teaching methods *(l/c/lab/p/other)*	Reference to subject effects	Reference to effects of a field of study
W_01	A student has basic 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.	l/c	K_W10	S1A_W05 S1A_W06
W_02	A student knows basic notions and categories of microeconomics.	l/c	K_W10	S1A_W05 S1A_W06
W_03	A student knows basic laws of market functioning and the mechanisms of self-regulation.	l/c	K_W10	S1A_W05 S1A_W06
W_04	A student knows basic principles of searching optimal states in microeconomics.	l/c	K_W10	S1A_W05 S1A_W06
U_01	A student can correctly distinguish the types of markets and describe functioning conditions of an enterprise on each of them.	l/c	K_U12	TA1_U09 TA1_U12 SA1_U03
U_02	A student can correctly formulate and explain basic notions in microeconomics, their contents, and relationships among them.	l/c	K_U12	TA1_U09 TA1_U12 SA1_U03
U_03	A student can use appropriate mathematical tools to justify decision-making in microeconomics.	l/c	K_U12	TA1_U09 TA1_U12 SA1_U03
K_01	As student understands the necessity of continuous raising his/her professional qualifications in relation to the changing market conditions.	l/c	K_K01	T1A_K01
K_02	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.	l/c	K_K02	T1A_K02
K_03	A student is able 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.	l/c	K_K04	T1A_K03 T1A_K04

Teaching contents:

1. Teaching contents as regards lectures

Lecture number	Teaching contents	Reference to teaching results for a module
1	**Basic notions and the subject of economy.** Production factors. The process of management. Property, the classification of property. The limitation of sources. The limits of production capacity. The	W_01 K_01

	methods of economic research. Economic models.	
2	**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.	W_01 K_01
3	**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.	W_02 U_01 U_02
4	**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.	W_02 U_03
5	**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.	W_03 U_02
6	**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.	W_03 U_02 K_02
7	**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.	W_02 W_04 U_03 K_02
8	**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.	W_03 U_01 U_02 K_02
9	**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.	W_02 W_04 U_02 U_03
10	**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.	W_03 U_02 K_01 K_02
11	**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	W_03 W_04 U_02 U_03 K_01

	equilibrium of an enterprise on a perfect market.	K_02
12	**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.	W_03 W_04 U_02 U_03 K_01 K_02
13	**The models of an imperfect market.** Sweezy's oligopoly model and Cournot's duopoly model. Chamberlin's model of monopolistic competitiveness.	W_03 W_04 U_02 U_03 K_01 K_02
14	**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.	W_03 W_04 U_02 U_03 K_01 K_02
15	**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.	W_03 W_04 U_02 U_03 K_01 K_02

2. Teaching contents as regards classes

Class number	Teaching contents	Reference to teaching results for a module
1	**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.	W_01 W_02 K_01 K_03
2	**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.	W_04 U_01 K_02
3	**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.	U_01 K_03
4	**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.	W_03 W_04 U_02 K_02
5	**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.	W_03 W_04 U_02 U_03 K_02

6	**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.	W_03 W_04 U_02 U_03 K_01 K_02
7	**A test. The analysis of answers and solutions**	
8	**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.	W_03 U_02 U_03 K_01 K_02
9	**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.	W_03 W_04 U_02 U_03 K_01 K_02
10	**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.	W_03 W_04 U_02 U_03 K_01 K_02
11	**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.	W_03 W_04 U_02 U_03 K_01 K_02
12	**A test. The analysis of answers and solutions.**	
13	**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.	W_03 U_02 U_03 K_01 K_02
14	**Factor markets.** 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.	W_03 W_04 U_02 U_03 K_01 K_02

15	**A test. The analysis of answers and solutions.**	

3. Teaching contents as regards laboratory classes

Laboratory class number	Teaching contents	Reference to teaching results for a module

4. The characteristics of project assignments

The methods of assessing teaching results

Effect symbol	Methods of assessing teaching results *(assessment method, including skills – reference to a particular project, laboratory assignments, etc.)*
W_01	**A final test and a written examination.** In order to gain a B mark, a student ought to know basic notions, rules, and methods concerning microeconomics. In order to gain an A mark, a student should additionally know and understand the principles and mechanism as regards the functioning of the market economy.
W_02	**A final test and a written examination.** In order to gain a B mark, a student ought to know basic categories in microeconomics and the relations occurring among them. In order to gain an A mark, a student should be able to analyse and identify the cause-and-effect type of these relations.
W_03	**A final test and a written examination.** In order to gain a B mark, a student ought to know basic laws of microeconomics. In order to gain an A mark, a student should be able to analyse and identify their significance for supply and demand.
U_01	**A final test and a written examination.** In order to gain a B mark, a student ought to know basic principles of searching optimal states. In order to gain an A mark, a student should additionally know the principles of creating algorithms of searching optimal states.
U_02	**Tasks completed during the classes supervised by the lecturer. A credit test and a written examination.** In order to gain a B mark, a student ought to be able to identify and define the phenomena and processes taking place in an enterprise, its market environment as well as identify their economic effects for business entities. In order to gain an A mark, a student should additionally be able to determine particular conditions of a perfect and imperfect markets.
U_03	**Tasks completed during the classes supervised by the lecturer. A credit test and a written examination.** In order to gain a B mark, a student ought to be able to formulate basic categories and notions concerning microeconomics. In order to gain an A mark, a student should be able to formulate his/her own conclusions as regards the relations between categories and notions.
K_01	**Tasks completed during the classes supervised by the lecturer. A credit test and a written examination.** In order to gain a B mark, a student ought to be able to use appropriate formulas to calculate basic microeconomic values and optimal states. In order to gain an A mark, a student should

	be able to analyse disequilibrium states and justify crucial decisions to restore them.
K_02	**Observation of a student's attitude during the classes; a discussion during the classes.** In order to gain a B mark, a student ought to be able to understand the necessity of continuous broadening of his/her knowledge concerning microeconomics and improve it regularly. In order to gain an A mark, a student should be able to improve this knowledge to a larger extent than other group members.
K_03	**Observation of a student's attitude during the classes; a discussion during the classes.** In order to gain a B mark, a student ought to be aware of the complexity of economic processes on the level of an enterprise and its market environment. In order to gain an A mark, a student should be able to identify the connections between various phenomena and economic procedures as well as their impact on business entities. In addition, a student should indicate the methods of solving non-standard tasks.
	Observation of a student's attitude during the classes; a discussion during the classes. In order to gain a B mark, a student ought to co-operate well and work in a team. Moreover, a student should actively participate in solving problem tasks. In order to gain an A mark, a student should be able to introduce initiative during teamwork.

D. STUDENT'S INPUT

	ECTS credit points	
	Type of student's activity	**Student's workload**
1	Participation in lectures	**45**
2	Participation in classes	**30**
3	Participation in laboratories	
4	Participation in tutorials (2-3 times per semester)	**5**
5	Participation in project classes	
6	Project tutorials	
7	Participation in an examination	**2**
8		
9	**Number of hours requiring a lecturer's assistance**	**82** *(sum)*
10	**Number of ECTS credit points which are allocated for assisted work** *(1 ECTS point=25-30 hours)*	**3**
11	Unassisted study of lecture subjects	**15**
12	Unassisted preparation for classes	**10**
13	Unassisted preparation for tests	**10**
14	Unassisted preparation for laboratories	
15	Preparing reports	
15	Preparing for a final laboratory test	
17	Preparing a project or documentation	**10**
18	Preparing for an examination	**10**
19		
20	**Number of hours of a student's unassisted work**	**55** *(sum)*
21	**Number of ECTS credit points which a student receives for unassisted work** *(1 ECTS point=25-30 hours)*	**2**
22	**Total number of hours of a student's work**	**137**
23	**ECTS points per module** *1 ECTS point=25-30 hours*	**5**
24	**Work input connected with practical classes** *Total number of hours connected with practical classes*	**85**
25	**Number of ECTS credit points which a student receives for practical classes** *(1 ECTS point=25-30 hours)*	**3**

E. LITERATURE

Literature list	1. Begg D., Fisher S., *Mikroekonomia,* Polskie Wydawnictwo Ekonomiczne, Warszawa 2007. 2. Blaug M., *Teoria Ekonomii,* Wydawnictwo Naukowe PWN, Warszawa 2000. 3. Czarny B., *Pozytywizm a sądy wartościujące w ekonomii,* Szkoła Główna Handlowa w Warszawie, Warszawa 2010. 4. Bremond J., *Kompendium wiedzy ekonomii,* Wydawnictwo Naukowe PWN, Warszawa 2008 5. Lowers B., *Collins internet-linked dictionary of Business*, Harper Collins Publishers, 2005. 6. Milewski R., *Elementarne zagadnienia ekonomii*, Wydawnictwo Naukowe PWN, Warszawa 2008.

	7. Milewski R., *Podstawy ekonomii, (ćwiczenia, zadania, problemy),* Wydawnictwo Naukowe PWN, Warszawa 2007. 8. Milewski R., *Podstawy ekonomii,* Wydawnictwo Naukowe PWN, Warszawa 2007. 9. Nasiłowski *System rynkowy. Podstawy mikro i makroekonomii*, Wydawnictwo Key Text Sp. z o.o., Warszawa 2006. 10.Samuelson P., Nordhaus W., *Ekonomia tom 1,* Wydawnictwo Naukowe PWN, Warszawa 2008. 11.Samuelson P., Nordhaus W., *Ekonomia tom 2,* Wydawnictwo Naukowe PWN, Warszawa 2008. 12.Tokarski T., *Ekonomia matematyczna,* Polskie Wydawnictwo Ekonomiczne S.A., Warszawa 2011.
Module website	