

MODULE: MICROECONOMICS

Griffith College Dublin – Accounting & Finance

Fall Semester

This module has no pre-requisites.

INTRODUCTION

A foundation course in microeconomics is an integral part of any business degree. Microeconomics is the branch of economics that studies how people make decisions and how these decisions interact.

Economics underpins a great deal of decision-making in business and as such is an essential cornerstone in any qualification. This module is designed to introduce students to the fundamentals of microeconomics. Emphasis during the module will be placed on making the theory as applicable as possible to real life applications.

Economists approach problems differently from other professionals; this module will provide a new lens through which the student can see problems and thus understand more fully the decision process in business.

SYLLABUS

Introduction to Microeconomics.

- What do economists study?
- Economic models and graphs, which illustrate economic issues.

Demand supply and market equilibrium

- Demand and supply curves
- The determinants of equilibrium price and quantity
- Government interference in the free market.
- Applications of demand and supply analysis
- Different economic systems

Elasticity and forecasting.

- Elasticity of demand and supply.
- Relationship between elasticity, total revenue and price
- Applications of elasticity

Costs and Production.

- Short run production and the law of diminishing returns
- Long run production
- Costs in the short run and the long run
- Interpretation of average costs and the implications for the firm

Market structures and pricing decisions.

- Comparison of various market structures
- Government regulation of monopolies and oligopolies

Factor markets.

- Wage determination and minimum wage legislation
- Economic rent
- Sources of profit

Market Failure and government policy

- Externalities, monopoly power, public goods, merit goods and ignorance
- Government regulation of the market
- Applications of market failure issues