



**Short Program of Course:**

**Academic Year: 2021 – 2022**

**Microeconomics**

**"Bachelor" in "Agribusiness Management"**  
First Cycle Study Program (180 ECTS)

Type of activity	hours
Lectures:	60
Seminars:	15
Exercises:	
Laboratory:	
Fieldwork practice:	
Clinical practice:	
Sportive practice:	

<b>Credits:</b>	6
<b>Discipline:</b>	B

<b>Total workload</b>	6 x 25 = 150
<b>Class workload:</b>	75
<b>Individual workload:</b>	75

<b>Code:</b>	AGR-A-06A
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**Description of Course**

**THE NATURE OF MODERN ECONOMICS**

Modern economics and economic theory  
**1** Assumptions and conditions for studying economic problems  
 Economic models for understanding economic issues  
 Basic analytical structure of modern economy  
 The role and limitations of economic theory

**DEMAND AND MARKET EQUILIBRIUM**

**2** The market  
 Demand

**SUPPLY AND MARKET EQUILIBRIUM**

Supply  
**3** Interaction between demand and supply  
 Market interventions

**CONSUMER PREFERENCES AND UTILITY CONCEPT**

Rationality  
**4** Preferences  
 Functions of utility  
 Preferences and utility curves

**CONSUMER CHOICE**

Budget constraint  
**5** Changes in income and the budget line  
 Changes in prices and the budget line  
 Optimum choice

**ELASTICITY**

response to price elasticity  
**6** Computing elasticity: The midpoint method  
 The price elasticity of supply and its determinants  
 Elasticity and tax incidence

The demand

7	Introducing inputs and functions of production Functions of production with one single input Functions of production with more than one input Substitutability between inputs Return rates	
8	<b>COSTS AND COST MINIMIZATION</b> The nature of a firm Cost principles for decision-making Short run and long run period	
9	<b>COSTS AND COST MINIMIZATION</b> Short run costs Long run costs Economies and diseconomies of scale	
10	<b>COST CURVES</b> in long run Relationships between average cost curves and marginal cost curves in the long run Cost curves in the short run Relationships between average cost curves and marginal cost curves in the short run	Cost curves
11	<b>PERFECT COMPETITION</b> What is perfect competition? The competitive firm The competitive market in the short run The competitive market in the long run	
12	monopoly? Monopoly sources Reasons and barriers of monopoly Equilibrium in a monopoly What happens when things change?	
13	Markets with few sellers Equilibrium in an oligopoly market Game theory: The prisoner dilemma How the size of the oligopoly affects production in the market Monopolistic competition	
14	<b>EXTERNALITIES AND PUBLIC GOODS</b> Negative externalities Positive externalities Some examples of positive externalities Public goods	
15	<b>ECONOMIC WELFARE</b> welfare Welfare analysis Consumer and producer surplus Computing surplus Efficient market results	Economic