



COLLEGE OF ACCOUNTANCY AND FINANCE

Study program "Accounting and Finance"

Study course description

Study course title	
<i>In Latvian</i>	Mikroekonomika
<i>In English</i>	Microeconomics
Program part	Compulsory general education study course
ECTS	4
Course description: <i>The course provides basic knowledge of the theory and practice of microeconomics. During the course students will be able to find out the role and place of society and individual individuals in production and consumption. The course provides the necessary level of knowledge to enable students to judge societal development and the evolution of economic phenomena at the microeconomic level, to study demand and supply, aspects of consumer behavior, competition and the generation of production costs and revenues.</i>	
An aim of the course: The aim of the course is to acquire the basics of microeconomic theory and to apply it in practice in evaluation of various alternatives and in making the best economic decisions.	
Learning Objectives:	
<ul style="list-style-type: none">• To get acquainted with the essence of economic theory and its basic principles.• Analyze economic system and competitive market situations.• To increase knowledge of consumer behavior in the economy.• To get acquainted with the essence of demand, supply and the basic principles of market price formation.• To get acquainted with the theory of production, formation of costs and profit.• Understand the concepts and basic principles of the market for inputs.	
Course Learning Outcomes:	
Knowledge: <ul style="list-style-type: none">• understanding of the nature and principles of microeconomics;• the opportunity to put knowledge into practice, at the appropriate level of the economy, in households and in business.	
Abilities: <ul style="list-style-type: none">• is able to orientate in the market situation, evaluate the main factors in it;• is able to analyze competitive markets and conditions, promoting the company's competitiveness;• is able to orientate in the specifics of demand and supply by assessing the position of a good / service;• is able to analyze the causes and consequences of changes in company costs and revenues;• understands the pricing mechanism and factors affecting price changes;• is able to deal with market situations.	
Competences: <ul style="list-style-type: none">• ability to analyze economic system and competitive market situations;• ability to analyze trends and specifics of supply and demand.• ability to evaluate the company's profit generation, business performance and forecast its development trends based on the company's cost data analysis;• ability to carry out research activities.	
Course Schedule:	

<p>1. INTRODUCTION TO ECONOMICS</p> <p>What is Economics? Micro-and Macro-levels Basic problem of Economics Production resources. Limited resources Alternatives. Production curve Economic systems</p>
<p>2. MARKET SYSTEM</p> <p>Market. Market subjects. Economic flow Demand Law of Demand and Function of Demand Supply Production Resources Market</p>
<p>3. MARKET EQUILIBRIUM</p> <p>Market equilibrium price Deviation of market prices and volumes from equilibrium, its consequences</p>
<p>4. ELASTICITY OF DEMAND AND SUPPLY</p> <p>Classification of Elasticities Elasticity of Demand Elasticity of Supply Practical meaning of Elasticity</p>
<p>5. CONSUMER BEHAVIOR IN THE MARKET</p> <p>Understanding validity Overall and frontier validity Consumer balance Equal validity – indifference curve Budget line Optimal consumer choice</p>
<p>6. PRODUCTION</p> <p>Production function Production function with one variable factor of production Production function with two variable factors of production Manufacturer’s development trajectory</p>
<p>7. PRODUCTION COST THEORY</p> <p>Total and marginal costs Total revenue</p>
<p>8. PRICING AND MAXIMIZING PROFITS</p> <p>Market types Full competition Monopoly and its types Monopolistic competition The oligopoly market model Full competition Monopoly and its types Monopolistic competition The oligopoly market model</p>

The structure of cumulative assessment of students’ academic achievement:

Final evaluation of the study course according to ten point system consists of: assessment of independent work, situation analysis and knowledge test.

<i>Form of Control:</i>	Students must complete two independently performed tasks and pass the exam	
Assessment criteria	Proportion, %	Time limit
<ul style="list-style-type: none"> • Participation/attendance in workshops 	20 %	<i>During semester, academic year, according to the timetable of studies</i>
<ul style="list-style-type: none"> • Final reports and analitic paper 	35%	<i>During semester, academic year, according to the timetable of studies</i>
<ul style="list-style-type: none"> • Final exam 	45%	<i>According to the timetable of studies</i>
<i>Methods used in study course acquisition:</i> lectures, practical assignments, seminars, independent work, exam.		