Universidad de Navarra

Principles of Microeconomics A

Guía docente 2026-27

PRESENTACIÓN

Breve descripción:

- The subject "Principles of Microeconomics" is the first contact that the undergraduate student has with economic theory. Therefore, it is proposed as the basis that will allow progress in the future in the knowledge and application of Economic Theory, both in the area of Microeconomics and Macroeconomics. Those who follow this course will learn how economists approach the study of the reality that surrounds them, especially the decisions that individuals make and their interaction in the markets. Likewise, you will become familiar with the language and tools of this discipline.
- **Titulación**:ADE
- **Módulo/Materia**: GENERAL ECONOMICS/MICROECONOMICS
- **ECTS**:6
- **Curso, semestre**:2025-2026, 1st year, 1st semester
- **Carácter**:compulsory
- **Profesorado**: Jose Luis Pinto Prades
- **Email**: jlpinto@unav.es
- **Idioma**:english
- **Aula,Horario**:https://www.unav.edu/web/facultad-de-ciencias-economicas-y-empresariales/estudiantes/horarios

RESULTADOS DE APRENDIZAJE (Competencias)

ADE bilingue

BC1 . Students must demonstrate that they possess and understand knowledge in an area of study based on a general secondary school education whose content often comes from advanced textbooks, but also includes cutting-edge knowledge in this field of study.

GC1 . To be familiar with different areas of the theory and/or application of economic analysis.

SC17 . To explain the value generated by an economic activity for each agent involved in it.

ECO bilingue

BC1 . Students must demonstrate that they possess and understand knowledge in an area of study based on a general secondary school education whose content often comes from advanced textbooks, but also includes cutting-edge knowledge in this field of study.

GC1 . To be familiar with different areas of the theory and/or application of economic analysis.

SC1 . To be familiar with the fundamental concepts and methods of economic theory.

SC3 . To use the concepts, theories and models of economic theory to assess the reality of the economic context.

PROGRAMA

I. Introduction:

Think like economists

Universidad de Navarra

Scarcity and opportunity cost

The economy as a social science

II. Market operation.

Demand, Supply and Prices

The Market: Demand and Supply

Balance: price and quantity

Shifts in demand and supply

Market adjustment

Elasticity

Price elasticity of demand and supply

Cross price elasticity: complementary and substitute goods

Income elasticity: normal, necessary, luxury and inferior goods

Economic Regulation

Maximum and minimum prices: results

Taxes and subsidies: impact on the market

The Market and Economic Well-being.

Well-being and efficiency

Consumer and producer surplus

Applications: economic regulation and efficiency

Market failures.

Externalities and Public Goods

Asymmetric information: adverse selection and moral hazard

Correction of market failures

IV. Firm behavior

Production Costs

The short-term and long-term production function

Fixed and variable costs. Average and marginal costs

The short-term and long-term cost function

Competitive Markets

Profit maximization

Short-term balance

Long-term balance

The monopoly

Barriers to entry and types of monopoly

Introduction to monopoly behavior

Monopoly regulation

Power and market structure

Market power and price discrimination

Introduction to Oligopoly: The Case of the Duopoly and the Prisoner's Dilemma

Introduction to monopolistic competition

IV. Consumer choice

The Consumer Theory.

Utility function and budget constraint

Maximizing profit

Applications and extensions of the Consumer Theory.

Introduction to uncertainty

Introduction to behavioral economics

ACTIVIDADES FORMATIVAS

Theoretical-practical classes (52 hours)

The course consists of 13 weeks with 4 hours of classes per week (52 hours). During this time, the professor will provide students with the necessary theoretical knowledge to analyze problems and cases. In class, problems and cases related to current economic events will be discussed and solved.

Personal work of the student (95 hours)

As guidance (and advice), the student's personal work hours should be distributed approximately as follows:

Weekly, the minimum number of work hours is 4. It is expected that each week the student will:

- Read the theory for the following week and complete the exercises provided in the textbook (2 hours)
- Review the theory and problems covered during the week (2 hours)
- The student is responsible for increasing this minimum if deemed necessary.

Preparation for the final exam (30 hours)

Approximately 10 topics will be covered during the course. Adequate preparation for the final exam can be achieved by dedicating around 3 hours to each topic. This requires consistent effort and study throughout the course.

Final exam (3 hours)

- TOTAL: 150 hours.

EVALUACIÓN

- **CONVOCATORIA ORDINARIA**

The final grade for the course will be based on the following components:

- **Classwork: 10%**
- **Midterm Exam 1: 10%** — late September / early October
- **Midterm Exam 2: 10%** — late October
- **Midterm Exam 3: 10%** — late November
- **Final Exam: 60%**

1. Classwork — 10%

The classwork component will be assessed through exercises and other activities carried out during class. These activities will often be completed using McGraw Hill Connect.

The grade for this component will be based on the work completed during class. Activities missed due to absence cannot be made up.

2. Midterm Exams — 30%

There will be three midterm exams during the semester:

- **Midterm Exam 1:** late September / early October — 10%
- **Midterm Exam 2:** late October — 10%
- **Midterm Exam 3:** late November — 10%

Each midterm exam is worth 10% of the final grade.

If a student does not take a midterm exam, **there will be no individual make-up exam, regardless of the reason for the absence**. Instead, the corresponding 10% will automatically be transferred to the final exam.

For example, if a student does not take one of the three midterm exams, the final exam will account for 70% of the final grade instead of 60%.

A midterm exam grade cannot be improved through the final exam.

3. Final Exam — 60%

The final exam will normally account for 60% of the final grade. Its weight will increase by 10 percentage points for each midterm exam that the student does not take. You need to score at least 4 out of 10 on the final exam for it to be averaged with your midterm grades.

Midterms taken	**Final exam weight**
3	60%
2	70%
1	80%

0	90%

There are no individual make-up exams for the midterm exams.

CONVOCATORIA EXTRAORDINARIA

- Students who fail the course in December must retake the exam in June 2027. The final grade will be based 100% on the recovery exam.

HORARIOS DE ATENCIÓN

Tutoring schedule: to be agreed upon by appointment obtained using the Google Calendar appointment system. Link: https://calendar.app.google/F3EV7YckFhjAqLaq8

Venue: Office 2290. Amigos Building. 2nd Floor.

BIBLIOGRAFÍA

There are many suitable manuals for a Principles of Microeconomics course. The recommended one for this subject is: The Coreecon (2024) The Economy 2.0. Microeconomics, Frank, R. H., Bernanke, B. S., Antonovics, K., & Heffetz, O. (2024). *Principles of Economics* (8.ª ed.). McGraw-Hill Education. ISBN: 978-1-266-83343-4 and Colander, D. C. (2025). *Microeconomics* (12.ª ed.). McGraw-Hill Education.