

SUBJECT CARD

1. Basic information

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|-------------------------|-------------------------|
| Subject | Microeconomics |
| Faculty | Faculty of Law |
| Field of studies | International Relations |
| Specialization | international business |
| PRK level | 6 PRK |
| Education level | first-cycle studies |
| Form of studies | full-time studies |
| Group of activities | — |
| Number of ECTS points | 4 |
| Type of subject | obligatory |
| Total number of hours | 45 h |
| Didactic cycle | 2024/2025 winter |
| Academic semester | 1 |
| Academic year | 1 |
| Education profile | general academic |
| Year of implementation | 2024/2025 |
| Language of instruction | English |
| Teacher(s) | dr Krzysztof Waśniewski |

Semester, number of ECTS points, type of subject, number of hours

| Semester | Lecture | Class | ECTS |
|----------|----------|----------|------|
| 1 | 30 godz. | 15 godz. | 4 |

2. General objectives

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| C 1 | The student is supposed to know and understand the basic theoretical concepts of microeconomics. The student is able to prepare a simple business plan. |
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3. Introductory requirements

Good command of English, both spoken and written.

4. Learning outcomes

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| W1 | Knowledge: The student knows and understands the essential market structures, i.e. perfect competition, perfect monopoly, imperfect competition, oligopoly. |
| W2 | Knowledge: The student knows and understands the concept of production costs, with distinction between variable costs and fixed costs. |
| W3 | Knowledge: The student understands the process of profit formation in a business, i.e. the concept of revenue and that of residual margin. The student knows and understands the logic and structure of capital base in a business, i.e. the concept of assets and their subdivision. The student knows and understands the essential sources of financing the capital base of a business, namely through debt and through equity. The student knows and understands the logic and structure of cash-flows in a business. The student knows and understands the logic and structure of a simple business plan. |
| W4 | Knowledge: The student knows and understands the fundamentals of financial markets, i.e. banking and lending/borrowing, the capital market, the insurance market. |
| U1 | Skills: The student is able to conduct basic market research online for a specific business concept. |
| U2 | Skills: The student is able to define a business concept, as a recurrent, workable process of creating and capturing value added. |
| U3 | Skills: The student is able to make basic financial forecasts in a business plan. |
| K1 | Social competence: The student is able to communicate in English, both spoken and written, with respect to microeconomics and business planning. |
| K2 | Social competence: The student is able to conduct a semester-long project for graduating the course. |

5. Course program

Lecture (30 h)

| Code | Detailed description of the topic blocks (semester: 1) |
|-------------|---|
| Wyk1 | The connection between the theory of microeconomics and real-life business planning. The essential differences between doing business in various market structures such as distinguished in microeconomics. |
| Wyk2 | The theory of market structures: perfect competition and its essential principles, its scientific history and context. The concepts of: market equilibrium, equilibrium price, equilibrium product, curve of demand, curve of supply. |
| Wyk3 | The theory of market structures: simulating changes in the market with the rule of 'other factors held constant', understanding that rule in the context of real social games in a market. |
| Wyk4 | The theory of market structures: monopoly and its basic principles, natural monopoly as opposed to temporary monopoly. Monopoly and innovation. |
| Wyk5 | Outlining a business concept as a recurrent process of creating and capturing value added. Various ways of understanding value added in a business. Value added and production costs. |
| Wyk6 | Fixed costs in a business and their connection with the organisational structure of a business. |
| Wyk7 | The capital base of a business. The connection between the business concept and the assets it requires. Fixed assets and current assets. Accumulation of capital. Depreciation of fixed assets and its amortization. |
| Wyk8 | The process of profit formation in a business. Prices and quantities of final goods and their translation into revenues. Prices and quantities of intermediate goods and their translation into the variable costs. Value added and gross margin. Fixed costs, the break-even point, and the operational income. Amortization of fixed assets and its role in profit formation. Financial costs other than amortization: interest paid on debt. |
| Wyk9 | The concept of equity in assets. The logic of combining equity with debt. Types of debt (liabilities) and their different functions. The cost of capital. Basic methods to acquire sources of financing for the assets. Financial markets, banking and lending, private and public capital markets, insurance as source of capital. |
| Wyk10 | Putting together the financials of a business: the statement of operations and income, the balance sheet, and the cash-flow. |
| Wyk11 | Structure and logic of a business plan. |

Class (15 h)

| Code | Detailed description of the topic blocks (semester: 1) |
|-------------|---|
|-------------|---|

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|-----|---|
| Cw1 | The basic techniques of market research, using the fundamentals of microeconomics. |
| Cw2 | Reading the annual reports of a business. Annual reports as source of information. |
| Cw3 | The technique of business modelling; finding business similar to the one under planning, emulating their characteristics. The use of ratios and coefficients. Seeing a real-life business as a structure able to replicate itself over time and across space. |
| Cw4 | The method of preparing a business plan. The method of circular work, recurrently over many sections of the business plan. |
| Cw5 | Analysing one's financial situation: assets and equity, borrowing capacity, capacity for accumulation. |

6. Didactic methods

| Lecture | |
|---------|--------------------------------|
| M1 | Case study |
| M2 | Text analysis |
| M6 | Discussion |
| M13 | E-learning methods |
| M17 | Multimedia presentation |
| M18 | Problem solving |
| M19 | Case study |
| M20 | Lecture |
| M21 | Use of distance learning tools |
| Class | |
| M1 | Case study |
| M3 | Brainstorm |
| M6 | Discussion |
| M11 | Learning by doing |
| M13 | E-learning methods |
| M15 | Work on projects |
| M18 | Problem solving |
| M19 | Case study |
| M21 | Use of distance learning tools |

7. Student workload

| Number of hours under supervision | Student workload |
|-----------------------------------|------------------|
| Lecture | 30 h |
| Including e-learning: | 0 h |

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|-----------------------|------|
| Class | 15 h |
| Including e-learning: | 0 h |

| Student's own work | |
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| | 55 h |

| Total workload | |
|--------------------------------------|--------|
| Total number of hours for the course | 100 h |
| Total number of ECTS points | 4 ECTS |

8. Conditions for course completion

Course completion criteria

Students take a written exam at the end of the semester. The exam is composed of two parts: 20 test questions, and essay. The whole exam is graded on a scale of 40 points, 20 for the test, and 20 for the essay.

A student can be dispensed from the exam if the business plan, which they prepare in workshops (PL: ćwiczenia) demonstrates convincingly the understanding of microeconomics.

| Lectures (Final exam / Final pass) | |
|---|----------------------------------|
| Grade 5: | From 30 to 40 points at the exam |
| Grade 4,5: | from 26 to 29 points at the exam |
| Grade 4: | from 21 to 25 points at the exam |
| Grade 3,5: | from 15 to 20 points at the exam |
| Grade 3: | from 10 to 14 points at the exam |

| Class | |
|-------------------|---|
| Grade 5: | The student has prepared a comprehensive, exhaustive business plan, which demonstrates, besides the skill of business planning, a thorough understanding of microeconomics. |
| Grade 4,5: | Intermediate case between requirements for 4,0 and those for 5,0. |
| Grade 4: | The student has prepared a good, comprehensive business plan, where some components are well developed and supported by demonstrable understanding of microeconomics, whilst other component parts remain simple and basic. |
| Grade 3,5: | Intermediate case between requirements for 3,0 and those for 4,0. |
| Grade 3: | The student has prepared a simple, basic business plan, limited to the strictly necessary content, with simple use of microeconomic terms. |

9. Literature

Basic literature

1. Intermediate Microeconomics: A Modern Approach, International student edition,
Author Hal R. Varian
Edition 7, illustrated
Publisher W.W. Norton & Company, 2006
ISBN 0393927024, 9780393927023

Additional aids

Microeconomic Analysis
Norton International edition
Author Hal R. Varian
Edition 3
Publisher Norton, 1992
ISBN 0393960269, 9780393960266

10. Additional information for students

As regards the books, any textbook with 'Microeconomics' on the cover can do. The book suggested in the syllabus is a suggestion, nothing more. You can contact me (dr Krzysztof Waśniewski) at: kwasniewski@afm.edu.pl .

11. Information about academic teachers

The person responsible for the card

dr Krzysztof Waśniewski (e-mail: kwasniewski@uafm.edu.pl)

Teacher(s) conducting the subject

dr Krzysztof Waśniewski (e-mail: kwasniewski@uafm.edu.pl)