



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Applied Microeconomics	

Academic staff	Core academic unit(s)
Coordinating: Andrius Kažukauskas Other: José Garcia-Louzao	Faculty of Economics and Business Administration

Study cycle	Type of the course unit
1st (Bachelor's)	Compulsory

Mode of delivery	Semester or period when it is delivered	Language of instruction
Face-to-face	Semester 5	English

Requisites	
Prerequisites: Economic Theory I, Economic Principles I, Econometric Theory and Practice	Co-requisites (if relevant): Students should be able to run econometric estimations by using econometric software (by choice) e.g. R, Stata

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
5	130	36	94

Purpose of the course unit		
The course covers a few economic policy relevant topics of Microeconomics. The course aims to teach students to apply theory and econometric techniques necessary to solve real life-related economic problems and provide relevant economic policy recommendations.		
Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
Students should be able to demonstrate the ability to apply the theories dealing with energy markets and appraisal of energy/climate policies.	Lectures and lecture notes, tutorials, classroom discussion.	Group homework assignment No1 and final exam
Students should be able to demonstrate the ability to apply the theories dealing with labour market functioning and to it related economic policy.	Lectures and lecture notes, tutorials, classroom discussion.	Group homework assignment No2 and final exam

Content	Contact hours							Individual work: time and assignments	
	Lectures	Tutorials	Seminars	Workshops	Laboratory work	Internship	Contact hours, total	Individual work	Tasks for individual work
1. Energy Supply (electricity market overview, energy project appraisal, theory, electricity market application, policy)	8	1					9	27	Homework assignment (No1) and pre-assigned readings (reflections)

application: energy supply security)										
2. Energy Demand (Theory, Demand management in electricity market application, policy application: nudges)	8	1						9	20	Homework assignment (No1) and pre-assigned readings (reflections)
3. Labor supply, labor demand, and labor market equilibrium, policy application: unemployment insurance	10	1						11	27	Homework assignment (No2)
4. Wage structure, policy application: wage inequality	6	1						7	20	Homework assignment (No2)
Total	32	4						36	94	

Assessment strategy	Weight %	Deadline	Assessment criteria
Two group homeworks	40	Last lectures of each module	The students will have to do 2 homework assignments (one for each block) and will have to hand in the results at the end of each block.
Final (take-home) exam	60	In about two weeks after task announcement	It will be a take-home exam. Each student will get a dataset and a topic and will have to write a mini-paper (theory derivations, empirical estimation, the interpretation of results).

Author (-s)	Publishing year	Title	Issue of a periodical or volume of a publication	Publishing house or web link
Required reading				
G. Borjas	2016	Labor Economics	7th edition	McGraw-Hill
P. Cahuc, S. Carcillo, and A. Zylberberg	2014	Labor Economics	2nd edition	MIT Press
Bhattacharyya, S.	2011	Energy Economics: Concepts, Issues, Markets and Governance. Chapters: 3, 7 & 10		Springer-Verlag
Kažukauskas, A.	2024	Economics of Electricity Markets		Compendium
Recommended reading				
R. Rogerson, R. Shimer, and R. Wright	2005	Search-Theoretical Models of The Labor Market: A Survey	Vol. XLIII, pp. 959-988	Journal of Economic Literature
Z. Eckstein and G. Van den Berg	2003	Empirical Labor Search: A Survey		IZA DP. No. 929
G. Jehle, P. Reny	2011	Advanced Microeconomics Theory. Chapter 8	Any Edition	Pearson Education Limited
Perman, R., Ma, Y., Common, M., et al.	2011	Natural Resource and Environmental Economics		Addison-Wesley
Pöyry Management Consulting	2018	Independent Economic Analysis of the Long-Term Liquefied Natural Gas Import Solution to the Republic of Lithuania		https://www.kn.lt/uploads/files/dir49/dir2/9_0.php
Andrius Kažukauskas and Xiaoying Li	2024	Realized Dynamic Effect of Retrofits on Energy Consumption in Soviet-Era Multi-Apartment Buildings		https://www.sciencedirect.com/science/article/pii/S0140988324002718