Syllabus "Microeconomics II"	2013/2014
Code: 102336 ECTS: 6	

Degree	Year	Semester
952 Economics (EHEA Degree)	2	2
950 Degree in Business Administration (EHEA Degree)	2	2

Contact

Name (coordinator): Miguel A. Ballester

E-mail: miguelangel.ballester@uab.cat

Department: Economia i Història Econòmica

Language

English

Prerequisites

There are no prerequisites to follow the course successfully.

Nonetheless it would be desirable if students were familiar with Introduction to Economics, Microeconomics I, Mathematics I and Mathematics II.

Objectives

The goal of the subject is for students to learn the classic tools of microeconomic analysis, including markets (competitive and non-competitive) and general equilibrium analysis.

Students will learn how to critically understand and apply these concepts.

Competences

- E15 To apply the mathematical tools to understand complex economic situations
- E22 To identify the driving forces of demand and supply
- E24 To identify the processes governing the markets under different competitive frameworks
- T01 Ability to communicate in catalan, Spanish and English to synthesize and present the work done
- T02 Select and generate the needed information for every problem, to analyze it and take decisions by means of this information.
- T04 To organize the work, regarding a good management of time and its organization and planning
- T05 To demonstrate initiative and autonomous work
- T06 To work in teams and to have the ability to argue the own proposals, and validate or refute the arguments of others.
- T08 Ability to adapt to changing environments
- T10 Ability to keep learning in the future in an autonomous way, deepening in the acquired knowledge or starting in new areas.
- T12 To show motivation for the quality of the work done and interest for its consequences in the environment and society.

Learning outcomes

1. E 24.02 To differentiate among different market structures and to analyze the effects on profits and welfare
2. E 24.04 To formulate and solve general equilibrium problems and to understand the interdependences created
3. E15.09 To understand the role of the public sector on the activity of firms and consumers
4. E15.10 To differentiate the equilibrium effects under perfect and imperfect competition
5. E15.11 To solve and interpret equilibria
6. E22.04 To analyze the driving forces of demand

7. E22.05 To analyze the driving forces of supply
8. T01.00 Ability to communicate in catalan, Spanish and English to synthesize and present the work done
9. T02.00 Select and generate the needed information for every problem, to analyze it and take decisions by means of this information.
10. T04.00 To organize the work, regarding a good management of time and its organization and planning
11. T05.00 To demonstrate initiative and autonomous work
12. T06.00 To work in teams and to have the ability to argue the own proposals, and validate or refute the arguments of others.
13. T08.00 Ability to adapt to changing environments
14. T10 Ability to keep learning in the future in an autonomous way, deepening in the acquired knowledge or starting in new areas.
15. T12.00 To show motivation for the quality of the work done and interest for its consequences in the environment and society.

Course contents

PART I: AGGREGATION

1. Aggregate demand and Supply

1.1 Aggregate demand and Supply

1.2 The elasticity

1.3 Consumers and producers' surplus

PART II: PARTIAL EQUILIBRIUM

2. The competitive market

2.1 The market equilibrium

2.2 The stability of the equilibrium

2.3 Comparative statics and imposition

2.4 Market efficiency

3. The monopoly

3.1 Profit maximization

3.2 Causes, efficiency and regulation of monopolies

3.3 Price discrimination

3.4 The monopsony

4. The oligopolio and strategic interactions

4.1 Cournot equilibrium

4.2 Bertrand equilibrium

4.3 Hotelling

4.4 Stackelberg equilibrium

4.5 Mopolistic competition

PART III. GENERAL EQUILIBRIUM AND WELFARE

5. The general equilibrium model with pure Exchange

5.1 The Edgeworth box

5.2 Pareto efficient allocations

5.3 Walrasian equilibrium

5.4 Welfare Theorems

Methodology

1. Lectures
The Lecturer will conceptualised and synthesise every topic. The objective is to facilitate the achievement of the basic knowledge and to motivate students to the study of the subject.

2. Practical Classes
The topics covered will be analyzed in a practical way, by means of problem set resolution and discussion with students.

3. Individual work
The student will have to learn to study independently through the readings listed in the bibliography and other exercises that the lecturer will supply.

4. Campus virtual / Webpages
Extra material will be available in the Campus or at Professor's webpages

Learning activities and outcomes

Activities	Hours	ECTS	Learning outcomes
Type: Directed			
Lectures	30		E22.05, E22.04, T01.00, E15.11
Prectice classes	15		T08.00, T10.00, T02.00, T01.00, T04.00, T05.00, T06.00
Type: Supervised			
Office hours	15		T08.00, T10.00, T12.00, T02.00, T01.00, T04.00, T05.00, T06.00
Type: Self learning			
Individual Study and Problem Solving	67.5		T08.00, T10.00, T12.00, E22.05, E22.04, T02.00, T01.00, T04.00, T05.00, T06.00, E15.11
Text Reading	15		T08.00, T10.00, T12.00, T02.00, T01.00, T04.00, T05.00, T06.00

Assessment

The assessment of the course is composed of two midterm exams plus a final exam:

- Two midterm exams may combine multiple choice questions and essay questions. Each exam weights 20% of the final mark.
- One final exam in January at the date fixed by the Faculty. This exam weights 60% of the final mark.

Re-sitting exams. Those students with a final mark between 4 and 4.9 can re-sit. The characteristics of this exam will be announced when the final marks are published. The maximum mark for this exam will be 1. This mark will be added to the final mark the student got.

Students will get a NO PAPER only if and when he/she has done no assessment.

Assessment activities

Activities	Hours	ECTS	Learning outcomes
1st Midterm exam, weighting 20% of the mark	2.25		T08.00, T10.00, T12.00, E22.05, E22.04, T02.00, T01.00, T04.00, T05.00, T06.00, E15.11
2nd Midterm exam, weighting 25% of the mark	2.25		T08.00, T10.00, T12.00, E22.05, E22.04, T02.00, T01.00, T04.00, T05.00, T06.00, E15.11

Final exam, weighting 50% of the mark	3	T08.00, T10.00, T12.00, E22.05, E22.04, E15.10, E24.02, E24.04, E24.03, T02.00, T01.00, T04.00, T05.00, T06.00, E15.07, E15.09, E15.11

References

The main textbook is:

Varian, H.R. (1999).Intermediate Microeconomics: a modern approach. New York: Norton.

Students can complement their study from:

Katz, M., Rosen, H., Morgan, W. (2007) Intermediate Microeconomics. McGraw-Hill.

Estrin, S., Laidler, D. (1995). Microeconomics. Prentice Hall.

Kreps, D. (1990). A course in Microeconomic Theory. Harverster Wheatsheaf.