

Degree	Type	Year	Semester
2501572 Business Administration and Management	OT	4	0
2501573 Economics	OB	3	1

Contact

Name: Pau Olivella Cunill

Email: Pau.Olivella@uab.cat

Use of languages

Principal working language: catalan (cat)

Some groups entirely in English: Yes

Some groups entirely in Catalan: Yes

Some groups entirely in Spanish: No

Teachers

Ramón Caminal Echevarria

Xavier Vilà Carnicero

Alex Sanz Fernandez

Prerequisites

It is recommended that students have passed the following courses:

Introduction to Economics

Mathematics I and II

Microeconomics I and II

Objectives and Contextualisation

This course is the last one on the topic of microeconomics and, therefore, its main objective is to go beyond the understanding of basic knowledge by means of the more advanced concepts related to individual decision making and the functioning of markets.

Skills

Business Administration and Management

- Apply mathematical instruments to synthesise complex economic-business situations.
- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Capacity for oral and written communication in Catalan, Spanish and English, which enables synthesis and oral and written presentation of the work carried out.
- Demonstrate initiative and work individually when the situation requires it.

- Identify the processes that govern the functioning of markets in different competition regimes in different scenarios of interrelation and in different timeframes.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.

Economics

- Apply mathematical instruments to synthesise complex economic-business situations.
- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Identify the processes that govern the operation of markets in different competition systems, different scenarios of interrelationship and different timescales.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.

Learning outcomes

1. A capacity of oral and written communication in Catalan, Spanish and English, which allows them to summarise and present the work conducted both orally and in writing.
2. Capacity to adapt to changing environments.
3. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
4. Demonstrate initiative and work independently when required.
5. Identify market failures and define the corrective mechanisms of public intervention.
6. Organise work, in terms of good time management and organisation and planning.
7. Recognize the role of uncertainty in the decision making of consumers and businesses.
8. Relate the inter-temporal aspects to the processes of decision-making of economic agents.
9. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
10. Weigh the impact of public sector on the activity of enterprises and consumers.

Content

MICROECONOMICS III

Contents

1. Consumer Theory

- a) Preferences and utility function
- b) Consumer behavior
- c) Duality and applications
- d) Variations of prices and welfare analysis

2. Theory of choice under uncertainty

- a) Representation of alternatives under uncertainty: lotteries
- b) Preferences on lotteries
- c) vonNeumann-Morgenstern Expected Utility Theory
- d) Monetary lotteries and risk aversion

3. Theory of the Firm

- a) Technology and production function
- b) The behavior of the firm
- c) Duality and applications

4. General Equilibrium Theory

- a) Pure exchange economies
- b) Economies with production
- c) Welfare theorems

5. Externalities

- a) Positive and negative externalities
- b) Externalities in production and consumption
- c) Market inefficiency
- d) Solutions: creation of markets, taxation, property rights

6. Public Goods

- a) Types of public goods
- b) Efficient provision of discrete public goods
- c) Voting mechanisms
- d) Efficient provision of continuous public goods
- e) Lindhal equilibrium

7. Information Economics

- a) Adverse selection and applications
- b) Moral hazard and applications

Methodology

The methodology includes study, preparation and discussion of exercises, text reading, group exercises, lectures and tutorials.

Activities

Title	Hours	ECTS	Learning outcomes
Type: Directed			
Presential teaching	45	1.8	2, 1, 3, 4, 6, 9
Type: Supervised			
Office hours and follow-up	7.5	0.3	2, 1, 3, 4, 6, 9

Type: Autonomous

Study. Additional Readings. Preparing exercises. Team work. 90 3.6 2, 1, 3, 4, 6, 9

Evaluation

The evaluation consists of activities during the course (in the form of partial evaluation), with a weight of 40% and a final exam with a weight of 60%.

For students obtaining a total final grade greater or equal than 4 and below 5, there will be a re-take exam. The grade of the re-take exam will be qualitative: either pass or no-pass. If the student gets a pass, the final grade will be 5. Otherwise, the student will fail the course and the final grade will be the one existing before the re-take.

Aside of any other disciplinary measures that are considered to be adequate, and in line with the current academic rules, any student involved in an irregular activity that may lead to a variation in the grade in a evaluation activity will immediately receive a 0 grade for that activity. Hence, copying or allowing copying a practicum or any other evaluated activity will imply grade zero in that activity. If it s the case that the activity must be passed in order to pass the course, the whole course will be failed. Any activity graded according to this disciplinary procedure cannot be re-taken, and hence the course will be directly failed without any further chance to pass in the same academic year.

On top of any other disciplinary measures that are considered to be adequate, and in line with the current academic rules, the professor may reduce the average grade obtained in the "partial evaluation activities" by up to 2 points out of 10 to any student who repeatedly does not follow the rules of behavior in class. The professor will announce these rules at the beginning of the course.

Evaluation activities

Title	Weighting	Hours	ECTS	Learning outcomes
Final exam	60 per cent	3.5	0.14	2, 1, 3, 4, 5, 6, 10, 7, 8, 9
Practicum and partial examinations	40 per cent	4	0.16	1, 3, 4, 6, 9

Bibliography

Bibliography

Basic

- Varian, Hal. Microeconomic Analysis. W. W. Norton & Company Inc. Third Edition. 1992
- Jehle, G.A., Reny, P.J. Advanced Microeconomic Theory. Pearson Education. Third edition. 2011

Complementary

- Martinez-Giralt, Xavier. Microeconomia Avanzada. UAB. 2008

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