

**Advanced Microeconomics**

Code: 40100  
ECTS Credits: 10

Degree	Type	Year	Semester
4313805 Economic Analysis	OT	2	1

The proposed teaching and assessment methodology that appear in the guide may be subject to changes as a result of the restrictions to face-to-face class attendance imposed by the health authorities.

**Contact**

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**Use of Languages**

Principal working language: english (eng)

**Teachers**

Jesús David Pérez Castrillo  
Susana Esteban Tavera  
Joan Llull Cabrer  
Pau Milan Sole

**External teachers**

Esther Hauk  
Hanna Wang

**Prerequisites**

No specific prerequisites.

**Objectives and Contextualisation**

This module covers advanced theoretical models that are in the frontier of modern microeconomic analysis. Using rigorous mathematical analysis, this module provides the student with frontier knowledge in contract design and game theory, as well as in different applications. The models seen in this module are applied in novel research in Microeconomics and are instrumental to obtaining public policy implications. The student can acquire this knowledge from the fields of economics of information, industrial organization, contracts, incentives and behaviour, corporate finance, health economics, development economics, microeconometrics, public economics, labor economics, asset pricing, political economics and experimental economics.

**Competences**

- Apply the methodology of research, techniques and specific advanced resources to research and produce innovative results in a specific area of specialisation
- Capacity to articulate basic economic theory, analytically deriving them from mathematical reasoning
- Conceptually analyse a specific economic problem using advanced analytical tools

- Demonstrate an open , innovative and analytical attitude towards research questions
- Design, plan and carry out economic research
- Express recommendations about economic policy at macro and micro levels
- Make independent judgements and defend them dialectically
- Possess and understand knowledge that provides a basis or opportunity for originality in the development and/or application of ideas, often in a research context
- Search for information in the scientific literature using the appropriate channels and integrate the information to propose and contextualise a research topic
- Student should possess the learning skills that enable them to continue studying in a way that is largely student led or independent
- Students should be able to integrate knowledge and face the complexity of making judgements based on information that may be incomplete or limited and includes reflections on the social and ethical responsibilities associated with the application of their knowledge and judgements
- Students should know how to apply the knowledge they have acquired and their capacity for problem solving in new or little known fields within wider (or multidisciplinary) contexts related to the area of study
- Students should know how to communicate their conclusions, knowledge and final reasoning that they hold in front of specialist and non-specialist audiences clearly and unambiguously

## Learning Outcomes

1. Analyse games theory to describe topics of industrial organisation
2. Apply the methodology of research, techniques and specific advanced resources to research and produce innovative results in a specific area of specialisation
3. Demonstrate an open , innovative and analytical attitude towards research questions
4. Describe decision-making in the most complex strategic contexts, including the relationship between the different economic agents and the information structure of the economic context
5. Distinguish between different principal-agent models
6. Make independent judgements and defend them dialectically
7. Possess and understand knowledge that provides a basis or opportunity for originality in the development and/or application of ideas, often in a research context
8. Recognise the deficiencies in the existing models in the field of information economics and industrial organisation and propose a strategy to be followed to shift the borders of knowledge.
9. Search for information in the scientific literature using the appropriate channels and integrate the information to propose and contextualise a research topic
10. Student should possess the learning skills that enable them to continue studying in a way that is largely student led or independent
11. Students should be able to integrate knowledge and face the complexity of making judgements based on information that may be incomplete or limited and includes reflections on the social and ethical responsibilities associated with the application of their knowledge and judgements
12. Students should know how to apply the knowledge they have acquired and their capacity for problem solving in new or little known fields within wider (or multidisciplinary) contexts related to the area of study
13. Students should know how to communicate their conclusions, knowledge and final reasoning that they hold in front of specialist and non-specialist audiences clearly and unambiguously
14. Use the principal-agent models and notions of games theory to draw conclusions about the appropriateness of certain policies

## Content

- Corporate Finance
- Microeconometrics
- Economics of Identity, culture and Institutions
- Networks
- Applied Industrial Economics

For a detailed description of the content of topics in this module go to [http://idea.uab.cat/master\\_program.php](http://idea.uab.cat/master_program.php).

## Methodology

The course will consist of sessions where the instructor presents the material, and sessions specifically dedicated to problem solving. Students are encouraged to form study groups to discuss assignments and readings.

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus courses.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

## Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Theory classes	75	3	1, 2, 9, 3, 4, 5, 6, 11, 12, 13, 10, 8, 7, 14
Type: Supervised			
Practice classes, problems sets, tutorials	25	1	1, 2, 9, 3, 4, 5, 6, 11, 12, 13, 10, 8, 7, 14
Type: Autonomous			
Learning based on problem solving, personal study, study groups	150	6	1, 2, 9, 3, 4, 5, 6, 11, 12, 13, 10, 8, 7, 14

## Assessment

Final Exams

Class attendance and active participation

Problem sets and assignments

The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Class Attendance and Problem sets and assignments	50%	0	0	1, 2, 9, 3, 4, 5, 6, 11, 12, 13, 10, 8, 7, 14

## Bibliography

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Akerlof, G. (1970), "The Market for Lemmons, Quality Uncertainty and the Market Mechanism," *Quarterly Journal of Economics* 84: 488-500.

Akerlof, G.A., Kranton, R.E., 2000. *Economics and Identity*. Q. J. Econ. 115, 715-753

Allen, F. and Michaely, R. (1995), "Dividend Policy," in *Handbooks of Operation Research and Management Science: Finance* (ed. Jarrow, R., Maksimovic, V. and Ziemba, W.), Amsterdam: North-Holland.

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Bisin, A., Verdier, T., 2001. *The Economics of Cultural Transmission and the Dynamics of Preferences*. J. Econ. Theory 97, 298--319.

Brealey, R.A. and Myers, S.C. (1997), *"Principles of Corporate Finance,"* New York McGraw-Hill.

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Carvalho, J.-P. (2013) "Veiling" *Quarterly Journal of Economics* 128(1); 337-370

Caselli, F. and W. J. Coleman, II, *On The Theory of Ethnic Conflict*, *Journal of the European Economic Association*, Volume 11, Issue suppl\_1, 1 January 2013, Pages 161-192

Davis P. and E. Garcés, *Quantitative Techniques for Competition and Antitrust Analysis*, Princeton University Press

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Tirole, J. (2006), *"The Theory of Corporate Finance,"* Princeton University Press.

Tirole, J. *The Theory of Industrial Organization*, The MIT Press

Toke, A. , F. Alborno and E. Hauk (2021) "Foreign influence in domestic policy", *Journal of Economic Literature* 59(2):426-87

Víctor Aguirregabiria's notes (University of Toronto, Department of Economics)

Wooldridge, J. M. (2002), *Econometric Analysis of Cross Section and Panel Data*, MIT Press

*Additional references will be provided during the course.*

## Software

- Matlab

- R
- Phyton
- Stata