

Pla Docent

School Year 2014-15

Microeconomics II (20838) (21129)

Degree: Administració i Direcció d'Empreses, Economia, International Business Economics

Year: Second

Quarter: Third

Number of ECTS credits: 5

Number of hours of student work: 125

Language or languages of instruction: Catalan, Spanish, English

Professors: Larbi Alaoui.

1. Course Description

- **Objectives:** Microeconomics II is the continuation of Microeconomics I and it completes what would be a standard Intermediate Microeconomics course/sequence. This course covers the basic economic models involving the analysis of partial equilibrium with imperfect competition, general competitive equilibrium and an introduction to welfare economics and market failures. The course requires basic knowledge of mathematics and some notions of economics. Emphasis is placed not so much on learning new material but on learning how to think like an economist, and how to apply the theoretical concepts learned. One can only fully master this after a great deal of practice.
- **Prerequisites:** This course builds on Microeconomics I by further developing the ability to model specific economic situations in order to conduct theoretical analysis that is both rigorous and objective. Prior knowledge in the following two areas is required in order to succeed in this course:
 - *Basic mathematical concepts:* Algebra, differential calculus and optimization. These skills are acquired and strengthened in the Mathematics courses throughout the first year of the degree.
 - *Basic economic concepts:* Basic concepts acquired in Introductory Economics and in Microeconomics I constitute an indispensable basis for this course. In it, the process of formalizing economic phenomena will be extended to more complex situations.

2. Skills to be acquired

| <i>General skills</i> | <i>Specific skills</i> |
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| <i>Instrumental</i> <ul style="list-style-type: none">• Analytical skill• Ability to manage information• Ability for abstract thinking• Adaptability and clarity of ideas <i>Interpersonal</i> <ul style="list-style-type: none">• Teamwork ability• Critical thinking ability <i>Systemic</i> <ul style="list-style-type: none">• Creativity (ability to generate new ideas)• Autonomy (ability to work independently) | <ul style="list-style-type: none">• Analysis of imperfect competition models• Analysis of general market interactions• Ability to apply basic mathematical concepts to economics |

3. Contents

Tema 1. Monopoly behavior.

Tema 2. Factor markets and oligopoly.

Tema 3. General equilibrium: exchange.

Tema 4. Welfare

Tema 5. Externalities and public goods

4. Grading Policies

- **Mandatory continuous evaluation:**
 - a) *Quiz*: one brief multiple-choice quizzes (calculators and phones are not allowed). It will take place on **Wednesday May 13th, at 16.30**.
 - b) *Participation*: active class participation during both the lectures and the seminar sessions.
- **Mandatory final evaluation**: final exam (calculators and phones are not allowed).

The relative weight of each type of evaluation in the final grade is:

- a) Quiz: 15% of the final course grade
- b) Participation: 15%
- c) Final exam: 70%

To pass the course, students must attain a 5 out of 10 (50%) total combined score, as well as a minimum score of 4 out of 10 (40%) in the final exam.

The remedial evaluation (“recuperació”) will follow the same format and rules as the regular evaluation. Students may take the remedial exam only if they took the final exam in June and earned a failing grade for the course.

Students participating in exchange programs abroad, who for that reason cannot attend or participate in regular class and evaluation activities during the semester, will have their grade based entirely on the remedial exam in July.

5. References

5.1. Basic Bibliography

Varian, H. R. *Intermediate Microeconomics: A Modern Approach*, W. W. Norton & Company, London, 2010.

5.2. Supplementary Bibliography

Silvestre, Joaquim, *Microeconomia*, Editorial UOC, Barcelona, 2006.

5.3. Other Resources

For each topic, a set of required resources will be made available on Aula Global.

6. Methodology

The course will be structured into the following:

- a) Theoretical sessions with a large group, to introduce the main concepts and their basic applications.
- b) Seminar sessions in smaller groups, to further work on those concepts interactively.

7. Schedule

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|-----------------------|-----------|----------|-----------|
| 06/04/2015-10/04/2015 | x | Theory 1 | Theory 2 |
| 13/04/2015-17/04/2015 | x | Theory 3 | Theory 4 |
| 20/04/2015-24/04/2015 | x | Theory 5 | |
| 27/04/2015-01/05/2015 | Seminar 1 | Theory 6 | |
| 04/05/2015-08/05/2015 | Seminar 2 | Theory 7 | Theory 8 |
| 11/05/2015-15/05/2015 | x | Theory 9 | Theory 10 |

(Quiz on Wednesday May 13th, at 16.30)

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| 18/05/2015-22/05/2015 | Seminar 3 | Theory 11 | Theory 12 |
| 25/05/2015-29/05/2015 | Seminar 4 | Theory 13 | Theory 14 |
| 01/06/2015-05/06/2015 | Seminar 5 | | Theory 15 |
| 08/06/2015-12/06/2015 | Seminar 6 | | |