

Approval date: 24/06/2024

COURSE GUIDE

Microeconomics 3 (226112A)

Grado (Bachelor's Degree)	Grado en Economía (Bilingüe)		Branch	Social and Legal Sciences			
Module	Análisis Económico		Subject	Microeconomía III			
Year of study	2º	Semester	2º	ECTS Credits	6	Course type	Compulsory course

PREREQUISITES AND RECOMMENDATIONS

To have passed Microeconomics I and Microeconomics II

BRIEF DESCRIPTION OF COURSE CONTENT (According to the programme's verification report)

- Consumer Theory
- Producer Theory
- General Equilibrium

LEARNING OUTCOMES

- The student will be able to understand and model the strategic behaviour of the different agents related to an Economy/Society (consumers, firms, politicians,...)

PLANNED LEARNING ACTIVITIES

THEORY SYLLABUS

CHAPTER 1: STATIC GAMES WITH COMPLETE INFORMATION

1. Elements of a Game and normal-form representation
2. Basic Games
3. Solution concepts
 - Iterative Elimination of strictly dominated strategies.
 - Nash equilibrium
 - Mixed strategies and Existence of Nash Equilibrium

CHAPTER 2: DYNAMIC GAMES WITH COMPLETE INFORMATION



1. Introduction
2. Extensive-form representation
3. Subgame Perfect Nash Equilibrium
4. Repeated Games

CHAPTER 3: STATIC GAMES WITH INCOMPLETE INFORMATION

1. Introduction
2. Normal-form representation and Bayesian Nash equilibrium
3. Extensive-form representation of a Bayesian Game

CHAPTER 4: DYNAMIC GAMES WITH INCOMPLETE INFORMATION

1. Signalling Games
2. Perfect Bayesian Nash Equilibrium
3. Applications

CHAPTER 5: GENERAL EQUILIBRIUM AND EFFICIENCY

1. General equilibrium
2. Efficiency

PRACTICAL SYLLABUS

- Practice 1. Exercises on Static games with complete information.
- Practice 2. Exercises on Dynamic games with complete information.
- Practice 3. Exercises on Static games with incomplete information.
- Practice 4. Exercises on Dynamic games with incomplete information.
- Presentation of works prepared by students

RECOMMENDED READING

ESSENTIAL READING

- Gibbons, R. (2003): Game Theory for Applied Economists. Princeton University Press

COMPLEMENTARY READING

- Binmore, K. (1994): Fun and Games. McGraw Hill.
- Dixit, A. y Nalebuff, B. (1993): Thinking strategically. Norton Paperback.
- Ferreira J.L. (2019): Game Theory: An Applied Introduction. Red Globe Press.
- Gardner, R. (1996): Games for Business and Economics. Willey
- Osborne, M. J. (2004): An Introduction to Game Theory. Oxford: Oxford University Press.
- Osborne, M.J and Rubinstein A. (1994): A course in Game Theory. MIT Press
- Vega Redondo, F. (2022): Economics and the Theory of Games. Cambridge University Press.

RECOMMENDED LEARNING RESOURCES/TOOLS



<https://www.selcukozyurt.com/home/teaching/game-theory>

ASSESSMENT METHODS (Instruments, criteria and percentages)

ORDINARY EXAMINATION DIET

According to the Rules of assessment and grading of the students of the University of Granada (latest changes approved by the Governing Board of 26th October 2016), the assessment of students' academic performance will reflect public, objective and impartial criteria, and will preferably be continuous.

The continuous evaluation will consist of the following tasks:

A work in group and its presentation	30%
Final exam (multiple choice questionnaire)	70%

Observations:

- When the grade of the final exam is greater than or equal to 4.5, the final grade for the course will be calculated as the weighted sum of the two components of the evaluation [$0.3 \cdot \text{work mark} + 0.7 \cdot \text{exam mark}$]. Otherwise, the overall grade of the course will be a fail, with a numerical grade obtained as the minimum between 3.5 and the weighted sum of the two components of the evaluation [$0.3 \cdot \text{mark of the work} + 0.7 \cdot \text{mark of the final exam}$].
- In all the multiple choice questionnaires, wrong answers will be penalized.

EXTRAORDINARY EXAMINATION DIET

- Extraordinary assessment will consist of a unique exam (multiple choice questionnaire)
 - The grade of the extraordinary assessment will be the mark obtained in this exam.
 - Wrong answers will be penalized.

SINGLE FINAL ASSESSMENT (evaluación única final)

Article 8 of the current Rules for Assessment provides for the taking of a single final assessment, which students may apply for in the first two weeks of teaching of the subject (or two weeks following change of enrolment). Application is to be made through the electronic system, citing and accrediting the reasons for not being able to undergo the system of continuous assessment (reasons of employment, health, disability or any other correctly justified cause), with the understanding that this assessment is undertaken in a single academic act in order to accredit that the student has acquired in full the competencies described.

- It will consist of a unique exam (multiple choice questionnaire)
 - Wrong answers will be penalized.

ADDITIONAL INFORMATION

The Department of Economic Theory and History, in accordance with the Regulations for the attention to students with disabilities and other specific educational support needs (approved by the Governing Board of the University of Granada on 20th September 2016) will promote the right to education under conditions of equal opportunities to students with disabilities and other specific educational support needs. The necessary assistance actions will be established to achieve their full and effective inclusion, guaranteeing their right to inclusive education, in





accordance with the principles of non-discrimination, equal opportunities and universal accessibility, so that they can achieve the maximum possible development of their personal and, in any case, the objectives established in general for all students.

The information in this guide may be modified due to supervening circumstances, changes in regulations or new guidelines that may be given by the health authorities, the University, or the Faculty of Economics and Business.

Información de interés para estudiantado con discapacidad y/o Necesidades Específicas de Apoyo Educativo (NEAE): [Gestión de servicios y apoyos \(https://ve.ugr.es/servicios/atencion-social/estudiantes-con-discapacidad\)](https://ve.ugr.es/servicios/atencion-social/estudiantes-con-discapacidad).

