



GRADUATE SCHOOL

GM0751 Advanced Microeconomic Theory, 7.5 credits

Avancerad mikroteori, 7,5 högskolepoäng

Second Cycle

Confirmation

This course syllabus was confirmed by Graduate School on 2021-03-17 to be valid from 2021-08-29, autumn semester of 2021.

Field of education: Social Sciences 100%

Department: Graduate School

Position in the educational system

The course Advanced Microeconomic Theory, is a course within the Master of Science programmes at the Graduate School, School of Business, Economics and Law, University of Gothenburg.

Main field of studies

Economics

Specialization

A1N, Second cycle, has only first-cycle course/s as entry requirements

Entry requirements

To be eligible for the course Advanced Microeconomic Theory, the participant must fulfil the entrance qualifications for the Master of Science programme in Economics or the Master of Science programme in Finance.

Learning outcomes

After passing the course the student should be able to:

1. show understanding of how different production technologies influence the various market decisions of the profit-maximizing firm, including market decisions made when the firm faces uncertainty and risk

2. show understanding of how consumer preferences, as represented by utility functions, influence the various market decisions of the utility-maximizing consumer, including market decisions made when the consumer faces uncertainty and risk
3. explain the connections between utility maximization and expenditure minimization
4. describe the problem of aggregation as it relates to both consumers and products
5. describe the central connections between equilibrium, efficiency and welfare in perfect competition.

Course content

The overall objective of this course is to give a rigorous overview of fundamental microeconomic theory. In the course the profit-maximizing firm, the utility-maximizing consumer and their decisions under conditions of perfect competition are examined, including decision-making under uncertainty and risk. The various connections between equilibrium and efficiency under perfect competition are emphasized. Furthermore, aggregation and general equilibrium issues are explored as well. Finally, an analysis of public goods and externalities is undertaken along with a broader assessment of various market failures.

Form of teaching

Lectures and exercise classes.

Language of instruction: English

Assessment

Learning outcomes 1-5 are assessed through an individually written exam.

The individual written exam shall be written individually, cooperation in formulating text, tables, figures etc. is not allowed.

A student who has taken two exams in a course or part of a course without obtaining a pass grade is entitled to the nomination of another examiner. The student needs to contact the department for a new examiner, preferably in writing, and this should be approved by the department unless there are special reasons to the contrary (Chapter 6 Section 22 of the Higher Education Ordinance).

If a student has received a recommendation from the University of Gothenburg for special educational support, where it is compatible with the learning outcomes of the course and provided that no unreasonable resources are required, the examiner may decide to allow the student to sit an adjusted exam or alternative form of assessment.

In the event that a course has ceased or undergone major changes, students are to be guaranteed at least three examination sessions (including the ordinary examination session) over a period of at least one year, but no more than two years, after the course has ceased/been changed.

The number of examinations is limited to five.

Grades

The grading scale comprises: Excellent (A), Very good (B), Good (C), Satisfactory (D), Sufficient (E) and Fail (F).

The grade (A-E) corresponds to the total score a student obtains on the written exam. To receive a pass grade (A-E) $\geq 50\%$ points is required. The scale is tied to fixed score intervals:

A: 85-100%

B: 75-84%

C: 68-74%

D: 60-67%

E: 50-59%

F: $<50\%$

Course evaluation

The course will be evaluated upon completion. The results of the evaluation will be communicated to the students and will function as a guide for the development of the course.