


5 credits

30.0 h + 6.0 h

Q2

Teacher(s)	Davila Muro Julio ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	Building upon the tools of decision and game theory acquired in Advanced Microeconomics I, the course is divided in two main sections. In the first section, General Competitive Analysis is developed both in its positive and normative dimensions. In the second section, the problem of designing efficient allocation mechanisms is studied in a general perspective. Incomplete information and incentives issues are introduced. The design of auctions and public good mechanisms is included.
Aims	<p>1 The objective of the course is to provide the basic microeconomic tools to be used in the analysis of problems of resource allocation by economists working in research, in businesses or in various organisations. The course adopts both a positive and a normative approach. It includes recent advances of the theory and aims at developing the capacity to apply economic concepts to real-world problems.</p> <p>-----</p> <p><i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i></p>
Evaluation methods	The grade will be determined by a final written examination
Teaching methods	Lectures and exercises sessions
Content	<p>The allocation of resources by competitive markets. The existence of general equilibrium of an Arrow-Debreu Economy. The first and second welfare theorems. Sequential economies with financial assets. Radner equilibria. Incomplete markets. Economies with an infinite horizon. Overlapping generations. Infinitely-lived agents or dynastic economies.</p> <p>The allocation of resources among strategic agents. Bargaining. Nash's solution. Kalai-Smorodinski's. The strategic foundation of the Nash bargaining solution. Nash's demand game. Rubinstein's alternating offers bargaining game.</p>
Inline resources	Lecture notes and homeworks for the exercises sessions available on Moodle
Bibliography	<ul style="list-style-type: none"> <li>• Lecture notes and homeworks for the exercises sessions available on Moodle</li> </ul>
Faculty or entity in charge	ECON

<b>Programmes containing this learning unit (UE)</b>				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Economics: Econometrics	<a href="#">ETRI2M</a>	5		
Master [120] in Economics: General	<a href="#">ECON2M</a>	5		