NAME OF THE COURSE	MICROECONOMICS III					
Code	EUB303	Level of study	1			
Course teacher	Maja Pervan, Full Professor Josipa Višić, Assistant Professor	Credits (ECTS)	5			
Associate teachers		Type of instruction (number of hours)	L	S	E	F
			26		26	
Status of the course	Obligatory	Percentage of application of e-learning	30%			

COURSE DESCRIPTION

Course objectives	The acquisition of knowledge and skills through examination and analytical elaboration of cooperative and non- cooperative oligopoly structure, static and dynamic models in the theory of games, as well as formulation and investigation of micro (economic) model.
Course enrolment requirements and entry competences required for the course	Course signature requirements: as determined by the Statute of the Faculty of Economics and Rules and Regulations for Studies and Study Programmes.
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	Analyse the functioning of the various cooperative and non-cooperative, static and dynamic models of the oligopolies, as well as to assess the possibility that firm can practice market power and make adequate strategic decisions. 1. Analyse company's activity with the application of the game theory. 2. Evaluate behaviour of various cooperative and non- cooperative oligopoly models 3. Analyse different forms of firm's strategic behaviour 4. Evaluate industrial concentration and firm market power 5. Recommend appropriate decision under conditions of uncertainty and/or within alternative firm theory.

Course content broken down in detail by weekly class schedule (syllabus)

Lectures		Exercises:	
Topic	Hours	Topic	Hours
Oligopoly and game theory: foundations and principles, games classifications and Nash equilibrium	2	**Oligopoly and game theory:** foundations and principles, games classifications and Nash equilibrium	2
Game theory as a framework for understanding oligopolistic behaviour.	2	Game theory as a framework for understanding oligopolistic behaviour.	2
Behaviour of cooperative and non-cooperative, as well as static and dynamic oligopoly models within the game theory framework.	2	Behaviour of cooperative and non-cooperative, as well as static and dynamic oligopoly models within the game theory framework.	2
Strategic behaviour: non-cooperative strategic behaviour (predatory pricing, limit pricing...). Analysis of empirical studies.	2	**Strategic behaviour:** non-cooperative strategic behaviour (predatory pricing, limit pricing...). Analysis of empirical studies.	2

	Cooperative strategic behaviour.	2	Cooperative strategic behaviour.	2
	Market power and dominant firms: sources of market power, identifying and measuring market power.	2	**Market power and dominant firms:** sources of market power, identifying and measuring market power.	2
	Methods of controlling the market power of firms: Competition Act (Official Gazette 79/09)	2	Methods of controlling the market power of firms: Competition Act (Official Gazette 79/09)	2
	Measures of industrial concentration	2	Measures of industrial concentration	2
	Classical model (Bain) vs. contemporary models.	1	Classical model (Bain) vs. contemporary models.	1
	Risk and decision making under uncertainty. Asymmetric information.	2	Risk and decision making under uncertainty. Asymmetric information.	2
	Microeconomics econometrics: estimating demand for firm's products and its costs. Formulating and testing the micro (economic) model.	2	**Microeconomics econometrics:** estimating demand for firm's products and its costs. Formulating and testing the micro(economic) model.	2
	Applying regression analysis, cross-section and time-series models in microeconomics.	2	Applying regression analysis, cross-section and time-series models in microeconomics.	2
	Traditional and alternative theories of the firm: profit maximization and Baumol's theory	2	Traditional and alternative theories of the firm: profit maximization and Baumol's theory	2
	Marris's and Williamson's theories of the firm.	1	Marris's and Williamson's theories of the firm.	1

Format of instruction	☒ lectures ☐ seminars and workshops ☒ exercises ☐ *on line* in entirety ☐ partial e-learning ☐ field work	☒ independent assignments ☐ multimedia ☐ laboratory ☐ work with mentor ☐ (other)
Student responsibilities	In order to take a final exam, a student must meet the following two conditions: • achieve minimum attendance rate of 50% • take self-evaluation tests (minimum 4 out of 6) that will be held during the semester. In order to meet the condition for taking the *1st colloquium*, a student must take all self-evaluation tests held until the 1st colloquium. A positively graded 1st colloquium is a condition for taking the 2nd colloquium.	

Screening student work *(name the proportion of ECTS credits for each activity so that the total number of*	Class attendance	1	Research		Practical training	
	Experimental work		Report		Self-evaluation tests	0,5*
	Essay		Seminar essay		(Other)	

ECTS credits is equal to the ECTS value of the course)	Tests	3,5*	Oral exam		(Other)	
	Written exam	3,5*	Project		(Other)	

Grading and evaluating student work in class and at the final exam	* During the semester there will be two colloquiums. To obtain a final grade without exams, on each colloquium a student must solve at least 55% of the tasks / case studies as well as two out of the three theoretical questions. The final grade is derived as an arithmetic mean of the score achieved in the first and second colloquium. Students who do not pass the colloquiums take the exam in regular exam terms. The exam consists of two parts. In the first part of the exam, a student has to accurately and completely solve 55% of the tasks / case studies. Positive assessment in the first part of the exam also represents a condition of access to the second (theoretical) exam, where the student has to solve minimally two out of the three theoretical questions. By the decision of professors, the exam can also be held online via the Moodle platform and/or the Zoom application. In this case, students solve 9 numerical problems and a certain number of (theoretical) essay questions or questions with multiple choice answers. The total percentage obtained in exam, defines the final mark in a following way: 89 - 100 excellent (5) 78 - 88 very good (4) 66 - 77 good (3) 55 - 65 sufficient (2) 0 - 54 inadequate (1)

Required literature (available in the library and via other media)	**Title**	**Number of copies in the library**	**Availability via other media**
	Perloff, J.M. "Microeconomics: Theory and Applications with Calculus", Addison Wesley, New York, 2007.	1	0
	Jehle, G.A., Reny P.J. "Advance microeconomics", Addison-Wesley, 2000.	1	0

Optional literature (at the time of submission of study programme proposal)

Books:

1. Jehle, G.A., Reny P.J. "Advance microeconomics", Addison-Wesley, 2000.
2. Perloff, J.M. "Microeconomics: Theory and Applications with Calculus", Addison Wesley, New York, 2007.

Articles:

1. Pervan M., Pervan I. i Ćurak M., Determinants of Firm Profitability in the Croatian Manufacturing Industry - Evidence From Dynamic Panel Analysis, Economic Research-Ekonomska Istraživanja, Vol. 32, No 1, 2019. str 968-981.
2. Pervan M., Mlikota M., What Determines the Profitability of Companies?: Case of Croatian Food and Beverage Industry, Ekonomska istraživanja, Vol. 26, No. 1, 2013., str. 277-286. ISSN: 1331-677X.
3. Pervan M., Mlikota M., Šain M., Industrial concentration in Croatian food and beverage industry, IMR - Interdisciplinary Management Research IX, 2013. str. 379-390. ISSN: 1847-0408, ISBN: 978-953-253-117-6

	4. Pavić I. Pervan M. Effects of Corporate Diversification on its Performance: The Case of Croatian Non-Life Insurance Industry, Ekonomska misao i praksa, 1, 2010, str. 49-66.
Quality assurance methods that ensure the acquisition of exit competences	Registering students' attendance and success in carrying out of their duties (lecturer). Monitoring lectures and practice sessions (Vice Dean for Education). Students' Performance analysis in each course (Vice Dean for Education). Student questionnaire on the quality of lecturers and lessons for each course (University of Split, Quality Assurance Centre) Examination is used as an instrument to evaluate individual course outcomes by the course lecturer. The content of exam is reassessed periodically in order to assure compliance with the course outcomes.
Other (as the proposer wishes to add)	The course is taught in Croatian and English.