

University of Western Ontario
Economics 9601: Microeconomics I
Peter Streufert
Fall 2012

COURSE OUTLINE

Description. This a core course in the first-year Ph.D. program. Accordingly, it covers portions of microeconomic theory which are needed to do research in any field of economics. This particular course covers consumer theory, producer theory, partial equilibrium, general equilibrium (first without and then with production), and social choice theory.

Prerequisites. This course is intended for first-year graduate students in the Economics Department. All such students have met the mathematical prerequisites of the program, have attended Economics 9600 (an intensive two-week course in August), and will be concurrently enrolled in Economics 9607 (Economic Mathematics I). Nonetheless, students from other programs (such as Business) are welcome to audit the course, and if appropriate (please speak with me), to take the course for credit.

Requirements. Students are expected to participate in the lectures (Tuesdays and Thursdays 10:00-11:30 in 4161 Social Science, with the probable exception of September 27); to participate in the tutorials (Tuesdays 6:00-7:00 in 4161 Social Science); to complete the weekly problem sets (distributed on Thursdays and due at the start of the tutorial); to write the midterm examinations (in lieu of the lectures on Tuesday October 9 and Tuesday November 6); to write the final examination (yet to be scheduled); and to ask your teacher and T.A. lots of questions both in and out of the classroom. The course mark will be determined by the problem sets (best 9 out of 10 at 1% each), the midterms (25% each), and the final examination (41%).

Help. My office hours are Tuesdays and Thursdays 11:30-12:00 and Tuesdays 2:30-4:00. My phone is 661-2111x85384, and my email is pstreuf@uwo.ca. The teaching assistant is Michael Padbury, his email is mpadbury@uwo.ca, and his office hours are Tuesdays and Thursdays 9:00-10:00 in 4161 Social Science.

Bibliography. Examinations will be based solely on the lectures and the problem sets. However, students can supplement their understanding with the following material. Readings have been arranged from the least challenging to the most challenging.

The bookstore carries Jehle and Reny (2011) (an advanced undergraduate text), Mas-Colell, Whinston, and Green (1995) (a standard graduate text), and Debreu (1959) (a challenging and impeccable classic). None of these books are required. In addition, Varian (2009) is available in the bookstore for undergraduate courses. All four books are available on reserve in Weldon Library.

Consumers

Economics 9600 (micro), consumer theory
 Varian (2009), Chapters 2, 3, 4, 5, 6, 8, 14
 Jehle and Reny (2011), Chapter 1, 2
 Rubinstein (2006), Chapters 1-6
 Mas-Colell, Whinston, and Green (1995), Chapters 2, 3
 Debreu (1959), Chapters 2, 4

General Equilibrium without Production: Conceptual Issues

Economics 9600 (micro), casual Edgeworth box
 Varian (2009), Chapter 31
 Jehle and Reny (2011), Sections 5.1, 5.2.2, 5.4
 Mas-Colell, Whinston, and Green (1995), Section 15.B for equilibrium and efficiency, Section 16.E for welfare maximization, Section 18.B for the core

General Equilibrium without Production: Technical Issues

Jehle and Reny (2011), Sections 5.2.1
 Mas-Colell, Whinston, and Green (1995), Chapter 17

Producers and Partial Equilibrium

Economics 9600 (micro), producer theory, partial equilibrium
 Varian (2009), Chapters 18, 20, 21; 15.1, 23.1; 16
 Jehle and Reny (2011), Chapters 3, 4.1, 4.3
 Mas-Colell, Whinston, and Green (1995), Chapters 5, 10 (except 10.A), 12

General Equilibrium with Production

Economics 9600 (micro), formal Robinson Crusoe
 Varian (2009), Chapter 32
 Jehle and Reny (2011), Section 5.3
 Mas-Colell, Whinston, and Green (1995), Chapter 16
 Debreu (1959), Chapters 3, 5, 6

Social Choice

Economics 9600 (micro), casual discussions
 Varian (2009), Chapter 33
 Jehle and Reny (2011), Chapter 6
 Mas-Colell, Whinston, and Green (1995), Chapter 21
 d'Aspremont and Gevers (1977)

University Statement concerning Academic Offences. Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site: http://www.uwo.ca/univsec/handbook/appeals/scholastic_discipline_grad.pdf.

REFERENCES

- ARROW, K. J., AND F. H. HAHN (1971): *General Competitive Analysis*. North-Holland.
- BERGE, C. (1997): *Topological Spaces*. Dover, reprint of the original 1963 translation published by Oliver & Boyd.
- BESANKO, D. A., AND R. R. BRAEUTIGAM (2007): *Microeconomics (Third Edition)*. Wiley.
- D'ASPROMONT, C., AND L. GEVERS (1977): "Equity and the Informational Basis of Collective Choice," *Review of Economic Studies*, 46, 199–210.
- DEBREU, G. (1959): *Theory of Value: An Axiomatic Analysis of Economic Equilibrium*. Yale University Press, New Haven.
- (1983): *Mathematical Economics: Twenty Papers of Gerard Debreu*. Cambridge University Press.
- HILDENBRAND, W. (1974): *Core and Equilibria of a Large Economy*. Princeton University Press.
- JEHLE, G. A., AND P. J. RENY (2011): *Advanced Microeconomic Theory (third edition)*. Addison-Wesley.
- LUENBERGER, D. G. (2003): *Linear and Nonlinear Programming (Second Edition)*. Kluwer.
- MAS-COLELL, A., M. D. WHINSTON, AND J. R. GREEN (1995): *Microeconomic Theory*. Oxford University Press.
- MUNKRES, J. R. (2000): *Topology (Second Edition)*. Prentice Hall, Upper Saddle River, New Jersey.

RUBINSTEIN, A. (2006): *Lecture Notes in Microeconomic Theory: The Economic Agent*. Princeton University Press.

STARR, R. (1997): *General Equilibrium Theory: An Introduction*. Cambridge University Press.

VARIAN, H. (2009): *Intermediate Microeconomics: A Modern Approach (Eighth Edition)*. Norton.