

Instructor: RONALD WENDNER

Office hours: TUE 10:00 – 11:00 a.m.

E-mail: ronald.wendner@uni-graz.at ♦ <https://homepage.uni-graz.at/de/ronald.wendner/>

320.911 ADVANCED MICROECONOMICS (KS, 2h)

TUE 13:15 – 14:45, LS 15.01 (C-EG)

The course starts March 5, 2024.

1. COURSE INFORMATION

This is a course in microeconomic theory for students enrolled in the MA in economics. The objective of this course is to provide students with standard graduate-level microeconomic tools. The course presents a formal analysis of microeconomic theory focused on decision theory, consumption, production, and aggregation. In the course, we introduce, carefully and in depth, the analytical tools used in modern microeconomic theory. The introduction of these topics in a meticulous way serves the following purposes. First, mastering the theory of consumption and production is fundamental to understand (and work on) applied and theoretical labor economics, public economics or industrial organization. Consequently, students interested in these topics should invest in learning microeconomic theory. Second, the microeconomic theory of consumption and production is used in international economics, macroeconomics and environmental economics. Last but not least, microeconomic theory is fascinating by itself: it deals on how to build simple models that capture our intuition to study complex phenomena.

2. ESSENTIAL PREREQUISITES

Mathematics as taught in bachelor programs in economics. Furthermore, I assume familiarity with the basic concepts in microeconomics as offered by undergraduate microeconomics textbooks such as Snyder/Nicholson/Steward, *Microeconomic Theory*.

3. LITERATURE

REQUIRED READING

- Mas-Colell, A., M.D. Whinston, J.R. Green (1995), *Microeconomic Theory*, New York, Oxford: Oxford University Press (selected chapters); I refer to this book as MWG.
- My presentation and additional materials are available on my website:

<https://homepage.uni-graz.at/de/ronald.wendner/teaching/320.911-advanced-microeconomics/>

These materials are not a substitute for MWG.

FURTHER REFERENCES

At some points you might want to consult a mathematics textbook. I recommend:

- Sydsaeter, K., P. Hammond, A. Strom, A. Carvajal (2016⁵), Essential Mathematics for Economic Analysis, Harlow: Pearson Education.

All of the following books are valuable references for our course and might be quite helpful for you to understand the material we are going to discuss. All of the books are put on reserve (“Semesterhandapparat”) in our FB.

- Corbae, D., M.B. Stinchcombe, J. Zeman (2009), An Introduction to Mathematical Analysis for Economic Theory and Econometrics, Princeton et al.: Princeton University Press.
- Sydsaeter, K., P. Hammond, A. Seierstad, A. Strom (2008, 2nd ed.), Further Mathematics for Economic Analysis, Harlow: Pearson Education Ltd.
- Novshek, W. (1993), Mathematics for Economists, San Diego et al.: Academic Press Inc.
- Velleman, D.J. (2006), How to Prove it, Cambridge et al.: Cambridge University Press.
- Dixit, A. (1990), Optimization in Economic Theory, New York: Oxford University Press.

4. TENDATIVE SCHEDULE OF LECTURES & PROGRAM

Week 1	Organizational issues; notation
Week 2	Preference and choice [MWG, ch.1]
Week 3	Problem set
Week 4	Consumer choice [MWG, ch.2]
Week 5	Classical demand theory 1 [MWG, ch.3], Problem set
Week 6	Classical demand theory 2 [MWG, ch.3]
Week 7	Problem set
Week 8	Midterm exam
Week 9	Aggregate demand [MWG, ch.4], Problem set
Week 10	Production [MWG, ch.5]
Week 11	Problem set
Week 12	Equilibrium and its welfare properties 1 [MWG, ch.16], Problem set
Week 13	Equilibrium and its welfare properties 2 [MWG, ch.16]
Week 14	Problem set
Week 15	Final Exam

Midterm Exam: 30 April 2024

Final Exam: 25 June 2024

5. GRADING

Problem sets: 40%

Midterm exam: 30%

Final exam: 30%

My grading is based on your percentage achievement. The percentage grades correspond to the letter grades as follows.

86-100 %: sehr gut (A), 73-85 %: gut (B), 60-72 %: befriedigend (C), 50-59 %: genügend (D), 1-49 % nicht genügend (F).

6. ABSENCE FROM EXAMS IN CASE OF ILLNESS

If you are unable to attend an exam because of illness, you are offered to take the exam at a later point under the following conditions.

1. You give notice to me **before** the exam takes place.
2. Within three days of the exam, you send in a **medical certificate that details exactly why you were unable to participate** the exam.
3. **Your exam might be written or oral.** I will probably decide to pursue an oral exam instead of a written exam.

7. FURTHER RESOURCES

Office hours. My office hours are for clarifying any questions regarding the materials we discuss you might have.

Moodle. Our course is supported by Moodle. Please see your Moodle for further resources.

My Uni Graz Website. Please find auxiliary materials (transparencies, notes) at: <https://homepage.uni-graz.at/de/ronald.wendner/teaching/>