Organization:

Problem sets will be assigned weekly. Working through the problems is essential for learning Microeconomics. They will be handed in and graded, but will not count toward the final course grade. In calculating the course grades, the midterm is given a weight of 40% and the final exam 60%. The grade for the problem sets will depend primarily on whether a serious effort is made to solve the problems rather than on the correctness of the answers. Students must work in groups of at least three and should hand in one problem set for the group.

Course Description:

This is the first semester of the microeconomic theory sequence for Ph.D. students. The topics covered are (i) Consumer Theory, (ii) Producer Theory, (iii) Choice Under Uncertainty, and (iv) Game Theory. These correspond to Chapters 1, 2, 3, 4 (Sections A&B), 5, 6, 7, 8, 9 (Sections A, B, & Appendix A), and 12 (Section D) in Mas-Colell et. al.

This is a “tools” course in that it develops the basic microeconomic theory that is prerequisite for further study of microeconomics and for field courses. As such, it is highly abstract and quite mathematical. You are presumed to have sufficient mathematical background to understand the basic material in the text (although not necessarily easily). Some of the requisite mathematics was covered in the Math Camp. Other material will be developed in this course when it is needed. The problem sets will help to familiarize you with the techniques and these will be discussed in the recitations.