Advanced Microeconomics

Module Code: ECO00002M  Credits: 20  Term: 1 - 2
Contact Hours: 28 Lectures, 6 Seminars, 6 x 1 hour Problem Classes (40 contact hrs)
Module Organiser: Professor Z. Yang

Overview:

Microeconomic theory forms the core of economics; as such it provides the foundation for modern macroeconomics, finance and for the many specialist subjects with economics. It is also of vital importance in its own right as a description and explanation of economic agents acting in some rational (or consistent) manner. The primary purpose of this course is to convey in broad outline the general principles underlying microeconomic theory, and to show how such principles provide general characteristics of economic behaviour. This module is particularly important both for those who want to have rigorous training on economic analysis and for those who wish to pursue a PhD degree in economics.

Aims:

- To provide a view of most of the core material and some of the frontiers of microeconomics in its different dimensions. What are the key research questions in micro? Where is most of the current research activity?
- To provide practical training in the methods of microeconomics to formulate and solve microeconomic problems at a pre-research/research level.
- To provide you with an edited/annotated view of the large body of knowledge that constitutes microeconomic theory.
- To provide sufficient training in the methods of microeconomics so that you can actually do it yourself. Practical experience, in the revision classes, is very important and you must take great care to work through the exercises and show them to your teacher so that you can receive feedback. Your objective should be to understand the formulation of each exercise; understand the methods that are used in its solution; think how the exercise illuminates parts of microeconomic theory. Don’t worry if you find the exercises difficult at first.
- To give you the opportunity to study, discuss and evaluate some research frontier dimensions of microeconomic theory.

Objectives:

On completing the module a student will be able to:

- Solve exercises in microeconomics;
- Appreciate the logical structure of how to develop a microeconomic argument;
- Formulate a research proposal in microeconomics.
Assessment:

There will be a three-hour unseen written examination scheduled for the Summer Term. The exam contains some unseen exercise questions and some essay-style questions.

Pre-requisites:

It is strongly advised that you attend the Mathematics and Statistics Review Courses at the beginning of Autumn Term.

Main References:

Mas-Colell, Whinston, and Green [1995], Microeconomic Theory, Oxford University Press.

Jehle and Reny [2001], Advanced Microeconomic Theory, Addison Wesley.

Varian, H [1992], Microeconomic Analysis, Norton & Company.

These are very professional and Mas-Colell is very comprehensive.

To refresh your background knowledge, we strongly recommend you to read Hal Varian’s book:

Intermediate Microeconomics