

Economics 629 – Fall 2008
Microeconomic Theory I
MW 1:15-2:30
Room 1002, Allen Building

Professor Alex Brown
Office Hours: MW 3:00-4:30
Room 3056, Allen Building
abrown@econmail.tamu.edu
<http://econweb.tamu.edu/abrown>
(website coming soon)

Purpose:

In this course we will examine core topics in neoclassical microeconomic theory. Our main focus will be the behavior of consumers and firms in competitive markets. While the list of subjects may be similar to some undergraduate courses, we will approach them with greater depth and mathematical vigor. Where feasible, we will augment our study of these areas by examining related topics in current economics research. A student's mastery of concepts and tools in this course will help him/her prepare to access the professional journal literature in economics and begin to establish a solid foundation for research.

Required Text: *Microeconomic Theory*
Andrew Mas-Colell, Michael Whinston, and Jerry Green
(MWG below)

Recommended Text: *Advanced Microeconomic Theory (2nd edition)*
Geoffrey Jehle and Philip Reny

You May Find Helpful: *Microeconomic Analysis (3rd edition)* by Hal R. Varian
Notes on the Theory of Choice by David M. Kreps
The Foundations of Statistics by Leonard J. Savage

Grading:	Homework	10%
	Midterm	30%
	Comprehensive Final	60%

Problems sets and homework problems will be given periodically during class. They are designed to help students understand the material and prepare for exams. Unless stated otherwise, they will be due during the Friday tutorial sessions.

Students are encouraged to *discuss* homework with each other, but *must* write up each homework assignment *individually*. Copying work is prohibited.

Tutorial Sessions:

Yaojing Wang will lead students in a tutorial session each Friday 1:00-2:15 in Room 1002. Her sessions will aide students in their understanding of the week's homework and discussion. Yaojing will also hold office hours on Tuesday and Thursday from 3:30-5:00. Her office is in Room 3091, and her email is h0484022@tamu.edu.

Course Outline:

This schedule is tentative; topics toward the end of the course may be compressed or eliminated due to time constraints.

Aug. 25:	Decision Making (preference-based)	MWG 1.A-B
Aug. 27:	Decision Making (choice-based)	MWG 1.C-D
Sept. 1:	Consumption & Budgets	MWG 2.A-D
Sept. 3:	Demand Functions & Comparative Statics	MWG 2.E
Sept. 8:	Weak Axiom of Revealed Preferences	MWG 2.F
Sept. 10:	Consumer Preferences & Utility	MWG 3.A-C
Sept. 15:	Utility Maximization (UMP)	MWG 3.D
Sept. 17:	Kuhn Tucker Constrained Maximization	MWG 3.D, M.K
Sept. 22:	Expenditure Minimization (EMP)	MWG 3.E
Sept. 24:	Relationship between EMP and UMP	MWG 3.G
Sept. 29:	Integrability	MWG 3.H
Oct. 1:	Welfare and Strong Axiom	MWG 3.I, 3.J
Oct. 6:	Midterm Review	MWG 1-3
Oct. 8:	Midterm Exam	
Oct. 13:	Aggregate Demand and WARP	MWG 4.B-C
Oct. 15:	Representative Consumers	MWG 4.D
Oct. 17:	Production	MWG 5.A-B
Oct. 20:	Profit Maximization	MWG 5.C
Oct. 27:	Cost Minimization	MWG 5.C
Oct. 29:	Graphical Production and Aggregation	MWG 5.D-E
Nov. 3:	Efficient Production	MWG 5.F
Nov. 5:	Expected Utility Theory	MWG 6.A-B
Nov. 7:	Money Lotteries and Risk Aversion	MWG 6.C
Nov. 10:	Stochastic Dominance	MWG 6.D
Nov. 12:	Insurance and State-Dependent Utility	MWG 6.E
Nov. 19:	Subjective Utility Theory	MWG 6.F
Nov. 24:	Advanced Topics in Risk and Uncertainty	papers
Nov. 26:	Cumulative Review (Optional)	
Dec. 8:	Final Exam (10:30 a.m.-12:30 p.m.)	

Academic Integrity Statements:**AGGIE HONOR CODE**

“An Aggie does not lie, cheat, or steal or tolerate those who do.”

Upon accepting admission to Texas A&M University, a student immediately assumes a commitment to uphold the Honor Code, to accept responsibility for learning, and to follow the philosophy and rules of the Honor System. Students will be required to state their commitment on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the TAMU community from the requirements or the processes of the Honor System.

For additional information please visit: www.tamu.edu/aggiehonor/

Americans with Disability Act (ADA) Policy Statement:

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring accommodation, please advise the instructor and contact the Department of Student Life/Services for Students with Disabilities, in Cain Hall or call 845-1637.