Syllabus

[cmcd.economia@fgv.br]

Course: Microeconomics I
Professor:

2027 FIRST SEMESTER

COURSE OUTLINE

Microeconomics I is an introduction to choice and competitive general equilibrium theory.

DETAILED PROGRAM

1. Choice (8 lectures)
    a. Preferences and Choice (1 lecture)
        i. Preference Relations
        ii. Utility Functions
    b. Classical Demand Theory (4 lectures)
        i. Basic Elements (Choice Set and Preferences)
        ii. Utility Maximization
        iii. Expenditure Minimization
        iv. Integrability (statement of results)
        v. Revealed Preference
    c. Choice under Uncertainty (3 lectures)
        i. Basic Elements (Choice Set and Preferences)
        ii. Expected Utility
        iii. Risk
2. General Equilibrium (6 lectures)
    a. Primitives and Markets (2 lectures)
    b. Time (finite horizon), Uncertainty, Consumption Goods and Preferences
    c. Commodity and Asset Markets
    d. Competitive Equilibrium
    e. Complete Markets (4 lectures)
        i. Complete Contingent Markets: Static Arrow-Debreu
        ii. Dynamically Complete Markets: Arrow Securities
        iii. Efficiency Properties: First and Second Welfare Theorems

BIBLIOGRAPHY

1. Lecture Notes
2. Jehle, G. A., and P. J. Reny: “Advanced Microeconomic Theory” 3rd ed. Prentice Hall, 2001.
3. Mas-Colell, A., M. D. Whinston, and J. R. Green: “Microeconomic Theory”. Oxford University Press, 1995.
4. Kreps, D.: “Microeconomic Foundations I”. Princeton University Press, 2013.
5. Magill, M. and M. Quinzii: “Theory of Incomplete Markets”. MIT Press, 1996.
6. Leroy, S. F., and Werner, J.: “Principles of Financial Economics”, Cambridge University Press, 2001.

GRADING

Summer course (Math, 20%), mid-term (30%), and final examination (50%).
Students who fail the course are entitled to a substitute exam (“re-aval”) taking place either on April 22nd or on April 23rd. The final grade of such students is either the minimum passing grade, if they pass the “re-aval”, or their original failing grade.

PROFESSOR - EMAIL