

# Syllabus

[cmcd.economia@fgv.br]

**Course:** Microeconomic Theory I

**Professor:** V.Filipe Martins-da-Rocha

**FIRST SEMESTER, 2022**

## COURSE OUTLINE

Introduction to choice theory 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**

Mid-term (40%) and final examination (60%).

Students who fail the course are entitled a substitute exam ("re-aval"). 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**

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