

ADVANCED MICROECONOMICS, ECON 401:10
Department of Economics
St. Francis Xavier University
Fall 2021

Instructor: Teng Wah LEO

Time Blocks and Location: U1/U2 (Monday, 8:15 am – 9:30 am, & Thursday, 9:45 am – 11 am), MULH3022

Office Hours: Monday, 10 am – 11 am & 1 pm – 2 pm; Thursday, 11:30 am – 12:30 pm & 2:15 pm – 3:15 pm; Friday, 1 pm – 3 pm. All other days by appointment.

Objective: The course is designed as a continuation to Intermediate Microeconomic Theory introducing additional mathematical rigour. In addition, the scope of the advances made in Microeconomic Theory is developed through the provision of the basic models within each idea. The intent is to ease the transition for the students into graduate work in theory.**Prerequisites:** MATH 111, MATH 112, ECON 201, & ECON 301.

Note: Students may drop a course, online in Banner, on or before the relevant deadline. See the calendar of events in the StFX Academic Calendar for the drop-date.

Evaluation: All tests and final examination will be in-person exams.

1. 40% – 4 × Assignments
2. 30% – Mid Term Examination
3. 30% – Final Examination

Required Text:

None.

Supplementary Reading:

- Hal R. Varian. *Microeconomic Analysis*, 3rd Edition, W.W. Norton & Company, 1992.

- Andreu Mas-Colell, Michael D. Whinston, & Jerry R. Green. *Microeconomic Theory*, 1st edition, Oxford University Press, 1995.
- Carl P. Simon & Lawrence Blume. *Mathematics for Economists*, 1st edition, W.W. Norton & Company, 1994.
- Kevin Wainwright & Alpha C Chiang. *Fundamental Methods of Mathematical Economics*, 4th edition, McGraw-Hill, 2004.

Course Outline:

1. Decision Making by Individuals

- Preference Relations & Choice Rules
- Consumer Choice
- Utility Maximization & Expenditure Minimization
- Duality & Welfare Evaluation
- Profit Maximization & Cost Minimization in Production
- Choice under Uncertainty

2. General Equilibrium & Welfare

- Equilibrium & Welfare Properties
- Theory of Equilibrium
- Competitive Equilibrium

3. Information & Principal-Agent Problems

- Full Information
- Signalling

4. Welfare Economics

- Social Choice Theory
- Social Welfare Functions
- Invariance Properties