

ADVANCED MICROECONOMICS, UEC-51806

0. Web page Besides BrightSpace there is a web page pvmouche.deds.nl/advmicro-2020-2021.html which presents some information (especially that taught in weeks 3 and 4) in a more structured form.

1. Attention This course outline contains up-to-date information on the course. There may be (minor) differences with information from other sources. Please also consult the web page (see 0 above) regularly for the most recent information.

2. Content of the course In a broad sense the course consists out of three parts: General Microeconomic Theory (focus on duality theory for consumers and producers), Non-cooperative Game Theory (focus on games in strategic form and games in extensive form) and Information Economics (focus on expected utility theory and asymmetric information). Lectures cover selected parts from the textbook (see 6 and 12 below). In each part of the course there will be special attention to a practical application: respectively, biofuels, location choice of firms, insurance markets.

3. Target group The course is designed for students in the MID and MME programmes who wish to attain more profound knowledge in microeconomics. The course is also part of the WASS graduate programme. Also students from other study programmes are very welcome. Students are welcome provided they have the required knowledge (see 4 below).

4. Starting level Required knowledge is an intermediate course in microeconomics and some knowledge of the necessary mathematics. However, having the required mathematical skills, the course is self-contained. Some special attention to mathematics will be paid. An indication for whether your economic and mathematical background is sufficient is obtained by making the test on the web page. Please do it! If the result of the test is not sufficient, it is wise not to participate but first to follow the course Microeconomics ECH21806. Before the start of the course, participants will have the opportunity to prepare by self study (see the web page).

5. Coordinates All meetings will be online (14:00–16:20) with exception of the Tuesday meetings (13:50–16:10) in weeks 3–6 in Room C4030.

6. Teaching method The language of instruction is English. Each meeting consists of a lecture and/or a tutorial. The teachers (see 10 and 12 below) will inform you in advance about further details. In the lectures the theory in the textbook is dealt with. In the tutorials we do exercises on the theory. Also there are assignments which consist of extensive exercises to deepen knowledge and skills (see 7 below). From an efficiency point of view it is a good idea that students prepare for the lectures and tutorials in advance.

7. Assignments There are three sets of assignments that can be conducted in small groups of 2-3 people; details will be announced. The assignments will be graded (also see 9 below).

8. Study material The textbook used is Advanced Microeconomic Theory, third edition, from G. Jehle and P. Reny, Addison-Wesley, 2011. (But in fact all editions are fine.) Also see <http://free-ebooks.com>. Additional background reading will be provided.

9. Assessment and specification At the end of this course the student should be able to:

- acquire additional knowledge at an advanced level;
- judge the formal correctness of various economic models;
- design micro-economic models for various real-world problems.

There is a written open book exam about the subjects covered in lectures and tutorials. There will be 6 questions (2/lecturer) out of which 5 should be chosen. If A is the mark of assignments and E that of the exam, the final mark F will be $F = \max(\frac{3}{10}A + \frac{7}{10}E, E)$. In order to pass, $E \geq 5.5$ should hold.

10. Lecturers Dr. D. Drabik (room 2105, tel. 484365), Dr. P. v. Mouche (room 0116, tel. 484265), Dr. H.-P. Weikard (room 1118, tel. 482494).

11. Important dates

- First meeting: Monday 31082020, 14:00–16:20 online.
- Digital Exam off Campus: Friday 23102019, 13:30–16:30.

12. Study scheme In the table below the relevant chapters per week of the text book are shown.

Week	Date	Lecturer	Book chapter	Text book
1	Mon 3108	DD	Consumer Theory	1.1 - 1.3
	Tue	DD	Consumer Theory	1.3, 1.4
	Thu	DD	Consumer Theory	1.4, 1.5
2	Mon 0709	DD	Theory of the Firm	3.1 - 3.3
	Tue	DD	Theory of the Firm	3.4, 3.5
	Thu	DD	General Equilibrium	5.3.3
3	Mon 1409	PvM	Game Theory	7.1
	Tue	PvM	Game Theory	7.2.1, 7.2.2
	Thu	PvM	Game Theory	7.3.1
4	Mon 2109	PvM	Game Theory	7.3.2-7.3.5
	Tue	PvM	Game Theory	7.3.5
	Thu	PvM	Game Theory	7.3.6
5	Mon 2809	H-PW	Topics in Consumer Theory	2.4
	Tue	H-PW	Game Theory	7.2.3, 7.3.6, 7.3.7
	Thu	H-PW	Information Economics	8.1
6	Mon 0510	H-PW	Information Economics	8.1
	Tue	H-PW	Information Economics	8.2
	Thu	H-PW	Information Economics	8.3