

**Econ 601**  
**Microeconomic Theory**  
FALL 2015

**Instructor:** Prof. Huseyin Yildirim, Soc Sci 205, phone: 660-1805, email: hy12@duke.edu

**TAs:** Rudolf Oberg, email: rudolf.harri.oberg@duke.edu; Feifan (Frank) Zhang, email: feifan.zhang@duke.edu

**Time and Location:** TuTh 3:05 - 4:20PM, Gross Hall 107

**Office Hours:** Tu: 1:30 - 2:30 PM (Yildirim)/ M: 4:30-5:30 PM (Soc Sci 119) (Rudolf)/ Fri: 4:30-5:30 PM (TBA) Zhang

**TA Sessions:** M: 6:30-7:30 PM Soc Sci 136 Note: Soc Sci 139 on Sep. 28th

**Textbooks:**

- (Required) *Advanced Microeconomic Theory* by G. Jehle and P. Reny, 3rd Ed.
- (Optional) *Microeconomic Analysis* by Hal Varian

**Objective:** This course reviews basic microeconomic topics such as consumer and producer theories, partial and general equilibrium, and if time permits, more modern topics such as public good provision, and the principal-agent problem. During the review, formal arguments will be used, with an eye on applied aspects of the theories. Good knowledge of multivariate calculus is required.

**Grading:** There will be 1 midterm, 1 final exam, and 3-4 homework assignments, with the following weights.

HW	10%
Midterm	40%
Final	50%

No notes or books will be allowed in the exams.

**Tentative Schedule:**

- **Consumer Theory**

Preferences and Utility: Preference Relation/Existence of Utility Function

Choice: The Indirect Utility/Expenditure/Duality

Demand: Slutsky Equation/Elasticity/Consumer's Surplus

Revealed Preference

Uncertainty and Risk Aversion

- **Producer Theory**

Technology: Returns to Scale/Technical Rate of Substitution

Cost Function and Its Properties

The Competitive Firm: Profit Function/Supply

(MIDTERM EXAM: Oct. 27th, Tu, in class)

- **General Equilibrium**

A Pure Exchange Economy: Core/Pareto Efficiency/Walrasian Equilibrium/Welfare Theorems

- **More Modern Topics**

The Principal-Agent Problem

Public Good Provision

CLASSES END ON NOV. 24

(FINAL EXAM: Dec. 8th, Tu., 7:00 - 10:00 PM, in class)