

Microeconomics for Economics and Finance I (MA)

Winter 2021

Lecturer: Ana B. Ania <ana-begona.ania-martinez@univie.ac.at>

Lectures: Tuesdays at 8.45-11.15 online.

Registration: Deregistration without further notice is possible via u:space until 15 October 2021. After that date and for any other questions regarding registration, please contact <elisabeth.polster@univie.ac.at>.

ECTS points: 6 ECTS in the Research Master in Economics and Finance.

Aims: The course provides advanced students with the core theoretical tools of microeconomic analysis with a focus on perfectly competitive markets. Upon successful completion students are able to work with the basic models of market competition, price determination, and welfare analysis. In simple theoretical examples, they are able to compute market equilibria and perform comparative statics. They are able to make a qualitative assessment of how different political interventions or parameter changes affect market outcomes. After an in-depth treatment of competitive markets, some properties of equilibrium with market power or strong externalities will also be explored.

Content: Preferences and utility, consumer's problem, indirect utility and expenditure, demand function, technology and production, cost functions, profit maximization, supply functions, partial equilibrium, efficiency and total surplus maximization, monopoly, general equilibrium, public goods and externalities.

Method: The news forum of the Moodle course provides regular information on the current learning goals and the development of the course. All materials, such as commented beamer presentations and solved problems, are made available on the platform. Every week course participants prepare and present exercises in the online sessions. In a final exam, students are expected to show integrated knowledge of the contents and materials presented in class and made available in the course platform.

Grading: The final grade will be based on regular participation in class or forum discussions and other Moodle activities (30%), weekly class presentations of solved exercises and applications (30%), and final exam on 25 January 2022 (40%). Students are encouraged to take personal contact to the lecturer in online office hours and may also be requested to participate in a personal interview to discuss their progress in the course. For a minimum passing grade students must satisfactorily complete all three assessment aspects (regular participation, presentations and final exam) and attain at least 50% of total points.

Textbooks:

- Hugh Gravelle and Ray Rees, *Microeconomics*, FT Prentice Hall, 3rd. edition, 2004.
- Geoffrey Jehle and Philip Reny, *Advanced Microeconomic Theory*, Pearson, 3rd. ed., 2011.
- Andreu Mas-Colell, Michael Whinston, and Jerry Green, *Microeconomic Theory*, Oxford UP, 1995.
- Thomas Nechyba, *Microeconomics: An Intuitive Approach with Calculus*, Cengage Learning 2018.
- Hal Varian, *Microeconomic Analysis*, W.W. Norton, 1992.

Materials: Class materials will be available in the moodle site for this course.

<https://moodle.univie.ac.at/course/view.php?id=259186>