



UNIVERSITÀ
CATTOLICA
del Sacro Cuore

Microeconomics

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Course aims and intended learning outcomes

This course is a graduate level introduction to Microeconomics. It aims to provide students with a firm grounding in the analytical methods of microeconomic theory used by economists without being overly mathematical, and to develop a capacity to apply economic concepts to real-world problems.

After completion of the course the student should be familiar with the principles, formal tools and core models that form the basis of microeconomic reasoning. He/she should also be acquainted with some of the economic issues and problems that motivate the development of microeconomic models. Thus equipped, he/she should be ready to independently read and assess the microeconomic literature that finds itself closer to the frontier of contemporary research.

Course content

The first part of the course covers the consumer, the firm and their joint interaction in equilibrium (partial and general). In presenting this material, attention shall be paid mostly to the formal structure of the classical microeconomic models as this will prepare the students for taking other courses that are more policy oriented.

The second part of the course focuses on the characterization of rational behaviour in a strategic environment (game theory) and on the formation of prices when competition is imperfect and/or when there is asymmetric information. Special emphasis will be given to economic applications.

The course will put much emphasis on analytical methods of reasoning. Problem-solving exercises will be a crucial learning tool. Problem sets will be assigned every week

Reading list

Part I: Carsten Krabbe Nielsen [C]: Lecture Notes: Microeconomic Theory.

Part II: Alessandra Michelangeli [C]: Lecture Notes: Game Theory.

Teaching method

The course consists of 30 lectures for the first part and 30 for the second. In addition, there will be weekly TA sessions where the solutions to the weekly exercises are discussed.

Assessment method and criteria

The written midterm exam consists of two questions, each with the same weight, and lasts one hour.

The final exam is also written. It consists of two questions for each part and lasts 120 minutes.

If the student receives at least 17/30 in the midterm exam, he/she has the option (not the obligation) to take only the second part (two questions, 60 minutes) in any of the exams until the start of the next course. In that case his/her final grade will be the average of the grade for the midterm exam and the grade obtained in the second part.

If the student decides to (try to) answer the first part of any exam, this annuls the midterm exam and from then on, he/she no longer has the option to take only the second part of the exam.



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Notes and prerequisites

The course builds on the first year graduate course in mathematics.