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Office Hours: Monday and Wednesday, 10 - 11.30 AM & by appointment.
Lectures: Tuesday & Thursday, 10 - 11.20, Room 301S, Umphrey Lee.
Teaching Assistance: Aastha Gupta. e-mail: aagupta@smu.edu, office hours: Friday, 10 - 11 AM (in 309 U Lee)

Introduction:
This is the first of two-courses in core microeconomic theory for first year Ph.D. students in economics. The aim of the course is to train students in the art of theoretical reasoning, and to expose them to fundamental techniques and concepts in modern microeconomic theory. In particular, this course will focus on topics related to choice and individual optimization by consumers and firms, decision making under uncertainty, basic game theory, market structures, and elements of partial and general equilibrium analysis.

Learning Objectives:
Train students in advanced microeconomic models and concepts necessary for doctoral research.

Equip students with the ability to use microeconomic theory and reasoning to analyze concrete economic problems.

Enable them to read scientific papers in their areas of interest.


Home Assignments: Home assignments will be given out from time to time. It is expected that students will work on these assignments on their own and turn them in before the due date.

Examinations: There will be one midterm and one final exam. Both exams are “in-class” and “closed book”.

Evaluation: Final grade will be assigned on the basis of performance in home assignments (20%), midterm exam (40%) and final exam (40%). No "incomplete" grade will be assigned except for cases of medical emergency during the final exam.

Tentative List of Topics:
1. Preferences, Utility and Consumer Choice, Demand Functions and Comparative Statics, Weak Axiom of Revealed Preferences, Classical Demand Theory: Preferences and


4. Introduction to Game Theory: Extensive & Normal Forms, Nash Equilibrium, Sequential Rationality and Subgame Perfection


5. Competitive Markets & Partial Equilibrium: Pareto optimality; Partial Equilibrium Analysis; Welfare analysis; Efficiency of competitive markets; deadweight loss; Free entry and long run equilibrium.

Material: Chapter 10.

6. Market Power: Monopoly & welfare loss; Price Discrimination in monopoly, Two-part tariff; Static oligopoly: Bertrand, Cournot, capacity constraints & product differentiation; Entry;Repeated interaction and collusion, Infinitely Repeated Games and Folk Theorem.


Special Needs

● Disability Accommodations:

Students needing academic accommodations for a disability must first register with Disability Accommodations & Success Strategies (DASS). Students can call 214-768-1470 or visit http://www.smu.edu/Provost/ALEC/DASS to begin the process. Once registered, students should then schedule an appointment with the professor as early in the semester as possible, present a DASS Accommodation Letter, and make appropriate arrangements. Please note that accommodations are not retroactive and require advance notice to implement.

● Religious Observance:

Religiously observant students wishing to be absent on holidays that require missing class should notify their professors in writing at the beginning of the semester, and should discuss with them, in advance, acceptable ways of making up any work missed because of the absence. (See University Policy No. 1.9.)
• Excused Absences for University Extracurricular Activities:

Students participating in an officially sanctioned, scheduled University extracurricular activity should be given the opportunity to make up class assignments or other graded assignments missed as a result of their participation. It is the responsibility of the student to make arrangements with the instructor prior to any missed scheduled examination or other missed assignment for making up the work. (University Undergraduate Catalogue)