Advanced Microeconomics for Public Policy 1

This course will cover a number of topics in microeconomic theory, with an emphasis on decision theory, consumer theory, and equilibrium. Applications will include crime, discrimination, segregation, and intergenerational mobility.

Meeting Times and Location

Tues - Thurs, 11:00 - 12:20pm, Harris Lecture Hall 140C
Tues - Thurs, 2:00 - 3:20pm, Harris Lecture Hall 140C

Readings: I have assigned Walter Nicholson and Christopher N. Snyder, Microeconomic Theory, Carl Simon and Lawrence Blume, Mathematics for Economists (supplemental) as texts. Other readings will involve scholarly articles.

Grading: We base grades on homework assignments, a midterm exam, and a final exam. The weights are as follows: Final 40% Homeworks 30% Midterm: 30%. There will be 5 homework assignments. Homework assignments will be done in preassigned groups and graded by group. All assignments will receive equal weight. No late assignments will be accepted.

Review Sessions: TAs will run discussion sessions to review lectures and field any questions about the homeworks.

Office Hours. Durlauf has office hours Wednesdays 1:45-3:15 in 172 Harris.

Final Examination:
Course Schedule (Tentative)

October 2: Theory and Public Policy: Overview

-Nicholson and Snyder, Chapter 1

October 4: Math Review 1: Functions, Maximization

-Nicholson and Snyder, Chapter 2.1-2.10

October 9: Math Review 2: Probability and Uncertainty

-Nicholson and Snyder, Chapter 2.11-2.12.

October 11: Theory of Choice 1: Preferences and Budget Sets

-Nicholson and Snyder, Chapters 3 and 4

October 16: Theory of Choice 2: Income and Substitution Effects

-Nicholson and Snyder, Chapter 5

October 18: Theory of Choice 3: Uncertainty

-Nicholson and Snyder, Chapter 7, 17.2.2-17.2.4

October 23: Theory of Choice 3 (continued)

October 25: Complements and Substitutes

-Nicholson and Snyder, Chapter 6


October 30: Review

November 1: Midterm

November 6: Equilibrium

Nicholson and Snyder, 8.1-8.4, 8.10


Application: Crime and Deterrence


November 8: Discrimination


November 13: Discrimination (continued)

November 15: Segregation


November 22: Intergenerational Mobility


November 29: Intergenerational Mobility (continued)

December 4: Review