

# Economics 7006 Microeconomic Theory

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Lecture Location: Building 73, Room # 111  
Lecture Days/Time: MW 8:05 AM – 9:25 AM

Office: Building 73 Room 246  
Office Hours: By appointment

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**Textbook:** Strictly speaking, I will not follow any textbooks. Instead, I will teach from my personal notes. For a few topics I may distribute lecture notes. If you want a reference book to use as a supplement, I have a few suggestions.

Drew Fudenberg and Jean Tirole, *Game Theory*, The MIT Press, 1991.

Robert Gibbons, *Game Theory for Applied Economists*, Princeton University Press, 1992.

Andreu Mas-Collel, Michael Whinston, and Jerry Green, *Microeconomic Theory*, Oxford University Press, 1995.

Geoffrey A. Jehle and Philip J. Reny, *Advanced Microeconomic Theory*, Pearson, 2011.

Hal Varian, *Microeconomic Analysis*, W. W. Norton & Company, 1992.

Any editions of the listed books will serve your purpose.

**Books on Reserve:**

Drew Fudenberg and Jean Tirole, *Game Theory*, The MIT Press, 1991.

Robert Gibbons, *Game Theory for Applied Economists*, Princeton University Press, 1992.

Andreu Mas-Collel, Michael Whinston, and Jerry Green, *Microeconomic Theory*, Oxford University Press, 1995.

Geoffrey A. Jehle and Philip J. Reny, *Advanced Microeconomic Theory*, Pearson, 2011.

Hal Varian, *Microeconomic Analysis*, W. W. Norton & Company, 1992.

**Course Outline:** This is an advanced course in microeconomic theory. The course is purely theoretical in nature. The goal of the course is to introduce you to a self-contained analysis of some of the major building blocks of microeconomic theory: choice under risk and uncertainty, game theory, information economics, and social choice. Some of the topics listed above may not be covered if we run out of time. This course is designed to meet the needs of students in an economics Ph.D. program. Some parts of the course are designed to teach material that all graduate students should know. Others are used to introduce methodologies.

**Tentative Topics:**

Risk and Uncertainty, Games in Strategic Form and Nash Equilibrium, Dominated Strategies, Mixed-Strategy Nash Equilibrium, Extensive Form Games, Behavioral Strategies, Strategic Form Representation of Normal Form Games, Backward Induction and Subgame Perfection, Bayesian Games and Bayesian Equilibrium, Perfect Bayesian Equilibrium, The Basic Signaling Games, Moral Hazard and Incentives, Adverse Selection, Social Preferences, Arrow's Impossibility Theorem, Social Choice Functions, The Utility Possibility Sets, Axiomatic Bargaining Theory.

**Grade Determination and Examination Details:**

There will be two midterms and a final, all given in class.

Midterm Exam I: Wednesday February 7

Midterm Exam II: Wednesday March 14

Final Exam: Monday April 23

All examinations will be closed-book and closed notes and will be comprehensive in nature.

The midterms will be worth 25% each and final will be worth 40% of your final grade.

Students who are unable to write a midterm must receive my permission to miss an exam before the scheduled exam date. To get my permission, you must give me notice at least a week before the class takes its exam. You must supply written evidence of your reason for missing the in-class exam. If the reason is illness, a note from a doctor will be sufficient. If the reason is not illness, I will let you know if I think your reason is good enough to warrant letting you miss the exam. If your reason is that you are participating in a university sponsored activity, I will always allow you to miss the exam. Otherwise, I will make the decision on a case-by-case basis. Students who are unable to write a midterm will have the midterm weight shifted to the final examination. Documentation **MUST** be provided.

Five assignments will be given in class and must be handed in for marking. These assignments will represent the remaining 10% of your final grade, each assignment weighing 2.0%. All assignments must be handed in by all individuals in the class, including anyone who is auditing or just sitting in for fun. In addition, please note: A PASSING GRADE ON ASSIGNMENTS IS A NECESSARY CONDITION FOR PASSING THE COURSE. Assignments must be submitted before the start of the class. No exceptions will be entertained.

Assignment 1. Jan 17, due Jan 24

Assignment 2. Jan 29, due Feb 5

Assignment 3. Feb 14, due Feb 26

Assignment 4. Mar 5, due Mar 12

Assignment 5. Mar 26, due Apr 9

Midterms and final exam are marked on a numerical basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will apply:

A  $\geq$  93%

93% > A  $\geq$  90%

90% > B+  $\geq$  87%

87% > B  $\geq$  83%

83% > B-  $\geq$  80%

80% > C+  $\geq$  77%

77% > C  $\geq$  73%

73% > C-  $\geq$  70%

70% > D+  $\geq$  65%

65% > D  $\geq$  60%

60% > D-  $\geq$  50%

50% > E

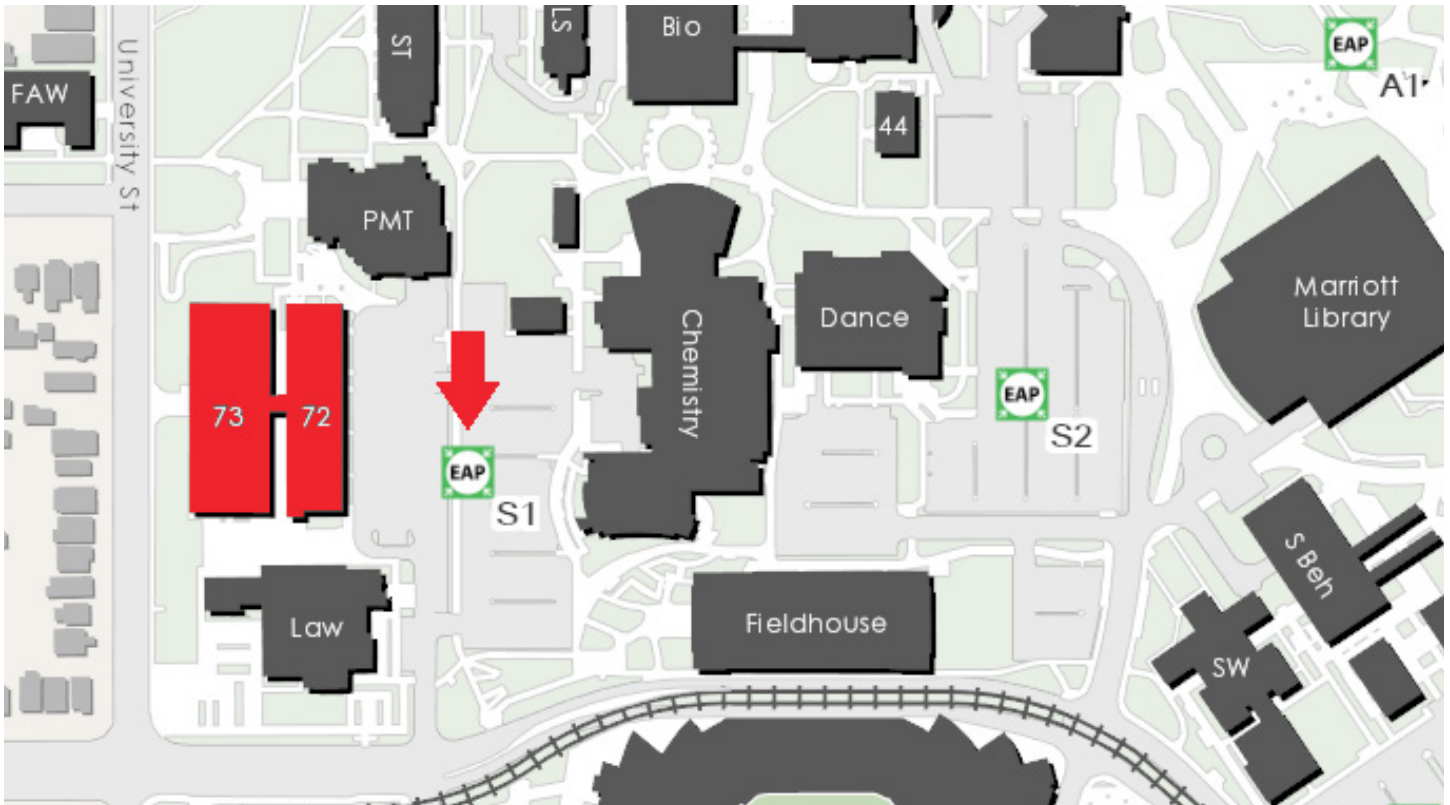
If you have questions regarding grading of an exam question, you must ask within **two weeks** from the

day the graded exam is handed back in the class. No exceptions to this rule will be entertained.

**Notes:**

- Cheating on exams and other forms of academic dishonesty may lead to expulsion from the class, failure of the class, or more severe penalties such as dismissal from the University. In accordance with University regulations (University Policy 6-400, Section V, B, 4, at, if you are caught cheating in this class, I must send a letter to your dean about that, and the letter will be put in your permanent University file. I punish cheating quite severely.
- **Americans with Disabilities Act (ADA) Statement**  
The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. All information in this course can be made available in alternative format with prior notification to the Center for Disability Services. ([www.hr.utah.edu/oeo/ada/guide/faculty/](http://www.hr.utah.edu/oeo/ada/guide/faculty/))
- **Wellness Statement**  
Personal concerns such as stress, anxiety, relationship difficulties, depression, cross-cultural differences, etc., can interfere with a student's ability to succeed and thrive at the University of Utah. For helpful resources contact the Center for Student Wellness - [www.wellness.utah.edu](http://www.wellness.utah.edu); 801-581-7776.

# CSBS EMERGENCY ACTION PLAN



## BUILDING EVACUATION

EAP (Emergency Assembly Point) – When you receive a notification to evacuate the building either by campus text alert system or by building fire alarm, please follow your instructor in an orderly fashion to the EAP marked on the map below. Once everyone is at the EAP, you will receive further instructions from Emergency Management personnel. You can also look up the EAP for any building you may be in on campus at <http://emergencymanagement.utah.edu/eap>.



## CAMPUS RESOURCES

**U Heads Up App:** There's an app for that. Download the app on your smartphone at [alert.utah.edu/headsup](http://alert.utah.edu/headsup) to access the following resources:

- **Emergency Response Guide:** Provides instructions on how to handle any type of emergency, such as earthquake, utility failure, fire, active shooter, etc. Flip charts with this information are also available around campus.
- **See Something, Say Something:** Report unsafe or hazardous conditions on campus. If you see a life threatening or emergency situation, please call 911!

**Safety Escorts:** For students who are on campus at night or past business hours and would like an escort to your car, please call **801-585-2677**. You can call 24/7 and a security officer will be sent to walk with you or give you a ride to your desired on-campus location.