



# Microeconomics: Theory and Applications (ECON-GB.3335.01)

■ **Course meetings.** Tuesday, 8:30 to 11:30 AM, Room 7-191 (TBC)

■ **Course description and learning goals.** This course satisfies the core requirement in microeconomic theory for Stern doctoral students, and is especially designed for those whose programs do not include advanced courses in economic theory. It emphasizes concepts and techniques of microeconomic analysis that are likely to be useful in the students' doctoral dissertation research.

■ **Content.** The topics developed in the course include: supply and demand; consumer and producer theory; monopoly and price discrimination; externalities; oligopoly competition; market entry and exit; innovation; network effects; asymmetric information; agency theory. A detailed course outline will be distributed.

■ **Materials.** The readings will be based on two textbooks. There is a lot of overlap between these two textbooks; for most of the sessions you can use either one. I will follow the first one more closely.

- Luís Cabral (2000), *Introduction to Industrial Organization* (cited in the outline as Cabral). Chapter drafts of this book's 2nd edition will be available free of charge. (Note that chapter numbers refer to the new edition.)
- Preston McAfee (2006), *Introduction to Economic Analysis* (cited in the outline as McAfee). This is an "open access" publication, which can be downloaded [here](#) free of charge.

Additional lecture notes may be distributed throughout the semester. For a more advanced treatment of the course's material (optional), see Mas-Colell, A., M. D. Whinston, and J. R. Green (1995), *Microeconomic Theory*, Oxford University Press, New York.

■ **Grading.** The course grade will be based on a midterm examination (40%), and a final examination (60%). Weekly problem sets will be distributed.

■ **Help.** There are times when a little help can get you past an obstacle. If you're stuck, send me an email (lcabral@stern.nyu.edu) or stop by my office (KMC 7th floor, room 70). I try to respond quickly to email. In addition to office hours, I am happy to answer questions in person whenever I am in my office.