

## Advanced Microeconomics II

Faculté des sciences économiques, sociales et de gestion  
Facultés universitaires Notre-Dame de la Paix

**This course is given in the MA/Ph.D. programme organized jointly with the Catholic University of Louvain (UCL).**

### Professor:

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### COURSE OUTLINE

The main aim of this course is to introduce students to the tools generally used by economists to analyze problems of resource allocation and decision making. Another one is to make them familiar with their use in applied problems. Through the course, therefore, theoretical concepts will be introduced and their applications will be discussed. Applications are typically implemented through assigned problems.

Most of the material covered is drawn from chosen chapters of the textbook “Microeconomic Theory” by Mas-Colell, Whinston and Green (1995), Oxford University Press. The book has the advantage of presenting clearly the theory and featuring a large number of solved exercises with applications to many different areas of economics. Most of the class hours will be spent by the professor going over the theory and discussing its application. Students are expected to work regularly through the semester and be up to date with the material. They are of course encouraged to ask questions and raise issues. If time permits, end-of-chapter problems may occasionally be solved in class at the students’ request, although priority is given to covering the chapters’ material. To this end, requests may be sent by email to the professor.

In accordance with the material already covered in Advanced Microeconomics I, we expect to cover the larger part of the following chapters:

- 6 Choice Under Uncertainty
- 10 Competitive Markets
- 11 Externalities and Public Goods
- 12 Market Power
- 13 Adverse Selection, Signaling, and Screening
- 14 The Principal-Agent Problem

**Evaluation:** The evaluation will be based on one comprehensive, closed book, written exam.