

BOSTON COLLEGE
Department of Economics

EC 740

M. Kraus

Text: Mas-Colell, A., Whinston, M.D. and Green, J.R. (1995). *Microeconomic Theory*.

I. Consumer Theory

A. Basic Consumer Theory

MWG, Sections 1.A-B, 2.A-D, 3.A-D, 2.E, 3.E and 3.G.

Silberberg, E. (1990). *The Structure of Economics*, 2nd edition, Chapter 10.

B. Welfare Change Measures

MWG, Section 3.I.

Willig, R.D. (1976). "Consumer's Surplus Without Apology," *American Economic Review*, 66, 589-597.

II. Producer Theory

MWG, Sections 5.A-D.

Silberberg, Chapter 4 beginning with Section 4.4, Chapter 6 through Section 6.2, and Chapters 8-9.

III. Expected Utility Maximization

MWG, Sections 6.A-D.

Pratt, J.W. (1964). "Risk Aversion in the Small and in the Large," *Econometrica*, 32, 122-136.

Rothschild, M. and Stiglitz, J.E. (1970). "Increasing Risk: I. A Definition," *Journal of Economic Theory*, 2, 225-243.

Rothschild, M. and Stiglitz, J.E. (1971). "Increasing Risk: II. Its Economic Consequences," *Journal of Economic Theory*, 3, 66-84.