

Module number and title	E801 Advanced Microeconomics II
Form and applicability of the module	Core course CDSE
Duration of the Module	7 weeks
ECTS-Credits	5
Teaching method	Lecture (4 SWS) + Exercise (2 SWS)
Cycle of offer	Every spring semester
Expected number of students in class	Lecture: 20 Exercise: 20
Course language	English
Prerequisites	Obligatory: E700, E701, E702, E703
Goals and Contents of the module	<p>The course provides an advanced introduction to the theory of general equilibrium. This is a subject that is technically demanding and typically taught only superficially in more elementary classes. It builds in particular on the introductory microeconomics class E702, but also uses the mathematical tools provided in E700, and builds on themes developed in macroeconomics in E701. It is related to the advanced macroeconomics classes, but develops the conceptual sides of the equilibrium problem in more detail than those classes.</p> <p>The course treats the following topics:</p> <p>1. Aggregate Demand, 2. Production Theory, 3. Exchange Economies, 4. Production Economies, 5. Uncertainty and Arrow-Debreu Equilibrium, 6. Basic Asset Pricing.</p> <p>The course teaches the fundamentals of economic equilibrium theory and thus lays the foundations for almost all aggregate theories in economics, such as macroeconomics, international trade, finance, environmental economics, etc. It is complemented by intensive problem-solving work by the students and exercise sessions.</p>
Expected Competences acquired after completion of the module	<p>After taking this class, students are supposed to know the core concepts of general economic equilibrium, such as the Law of Demand, contingent markets, Walrasian equilibrium, the core, arbitrage-free allocations, market incompleteness, etc.</p> <p>They are able to analyze problems involving these concepts independently and apply them to issues arising in various fields of economics, such as international trade, macroeconomics, public finance, and others. Special emphasis is put on the technical</p>

	<p>competence in applying these concepts.</p> <p>After taking this class, students should understand the role of the price mechanism in different economic contexts and analyze its functioning for the research questions they are studying. They can distinguish a competitive problem from a game-theoretic or decision-theoretic problem and use the corresponding formal and conceptual tools with confidence and competence.</p> <p>They can assess the scope of equilibrium arguments and decide whether an equilibrium-theoretic approach to a certain research question is appropriate. They understand the common structure of economic equilibrium models and can use this knowledge to transfer insights from one subfield to another.</p>
Requirements for the assignment of ECTS-Credits and Grades	One final examination of 120 min. A prerequisite for the admission to the examination is the regular participation in class, submission of problem sets, good performance in exercise sessions.
Responsible teacher of the module	Ernst-Ludwig von Thadden
Additional teachers	TAs will be announced at the start of the course
Instructor information	Phone: (0621) 181 - 1914; email: vthadden@uni-mannheim.de; Office: 3.19, VWL-Building; Office hours: upon appointment.