

Microeconomics 1 – Part A: Individual decision making  
Masters M1 IMMAEF & MAEF

TD – Wednesday, October 4, 2023

Consumer Theory

The following exercise should be submitted on Wednesday, October 4. A particular attention will be given to your presentation.

$L = 2$  is the number of commodities and  $\mathbb{R}_+^2$  is the consumption set of the consumer.

**Exercise.** Let  $p = (p_1, p_2) \gg 0$  be a price system and let  $w > 0$  be the wealth of the consumer. Using the definition of the demand of the consumer, determine **graphically** the demand of the consumer in the three following cases.

1. Lexicographic preferences (see the previous TD, Exercise 1),
2. Linear preferences (see the previous TD, Exercise 2),
3. Leontief preferences (see the previous TD, Exercise 3).