

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

TD – Monday, September 30, 2024

Consumer Theory

The following exercises should be submitted on Monday, September 30. 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 1. Exercise 3 of the previous TD to be done.

Exercise 2. 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).