

Advanced Microeconomics 1
Academic Year 2026-2027 (Fall 2026)

Course Description:

- This course is a second year PhD elective course in the Econ/Fin/Acc program. The goal of the course is to introduce students to the field of stochastic choice as a potential field of research. The course does so by introducing some of the major tools used in studying stochastic choice as well as exposing students to some classical ideas/models/papers in stochastic in addition to, in the latter part of the course, introducing the students to some frontier ideas/models/papers in stochastic choice. An additional goal of the course is to prepare students to create and evaluate research.

Prerequisites:

- Successful completion of the first year PhD sequence

Instructor:

- Christopher Turansick (Department of Decision Sciences)
- Office: 3-e1-05

Course materials and textbooks:

- There are no formal textbooks for this course, and all necessary information will be distilled via course notes and course slides via blackboard. That being said, Tomasz Strzalecki's textbook on Stochastic Choice is a nice supplement to what we will be covering and is likely the current go to textbook for the topic. Other than that, I will provide a (long) list of suggested/additional readings which consist entirely of research papers. These can typically be found via google scholar or on the researcher's webpage.

Method of Evaluation:

- There will be four sources of evaluation for this course (i.e. for grade), with one additional experiment from my end which will not be graded.
- Short (5 minutes) presentation ($\sim 10\%$)
 - At the end of one of my lectures on a related paper
- Medium (20-22 minutes) presentation ($\sim 35\%$)
 - During the last lecture of the class about some recent/working paper related to stochastic choice
- A mock referee report (No more than 2-3 pages) ($\sim 15\%$)
 - Give a short summary, explain the context/relation of the paper within its field, what is the main question, what is the main contribution, weaknesses, strengths, and an accept/reject/revision decision (or in our case, the journal you expect the paper to place at and why)

- A research proposal (No longer than necessary) ($\sim 40\%$)
 - Frame a research idea either about or using stochastic choice (or related topics)
 - Since not everyone wants to be a theorist, I am happy to be *very* flexible in my definition of related topics, but emphasize the portions that are related to the course

Course Outline:

1. Lecture 1 - Foundations of Stochastic Choice
2. Lecture 2 - Random Utility Rationalizability
3. Lecture 3 - Identification of Random Utility
4. Lecture 4 - Ordered Models of Stochastic Choice
5. Lecture 5 - Attribute Variation and Quasi-linear Integrability
6. Lecture 6 - Approximation with Simple Models
7. Lecture 7 - Random Expected Utility
8. Lecture 8 - Deterministic Preferences and Random Choice
9. Lecture 9 - Limited Consideration
10. Lecture 10 - Learning, Rational Inattention, and Limited Cognition
11. Lecture 11 - Stochastic Choice with Peer, Network, and Strategic Effects
12. Lecture 12 - Student Presentations