

# **BOSTON COLLEGE**

## **Department of Economics**

### **EC 201.03: MICROECONOMIC THEORY** **Spring 2001**

Instructor: Maurizio Zanardi  
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Office Hours: TTh 12:00 - 1:00 and by appointment  
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Class: TTh 10:30 - 11:45  
Course Homepage: <http://www2.bc.edu/~zanardi/theory/ec20102.html>

#### **1. Course Objectives**

This course develops a theoretical framework with which to analyze consumer and producer behavior. This analysis is then employed to investigate the determination of prices and output in various market situations, the implications for welfare, and the appropriate role for government intervention.

#### **2. Prerequisite**

Principles of Economic - Micro (EC 131).

Although a course in calculus is not required, it is highly recommended. In fact, basic concepts in calculus are necessary to follow the material covered in class. Quantitative as well as graphical analysis will be emphasized throughout the course.

#### **3. Requirements**

Required textbook: Michael L. Katz, Harvey S. Rosen  
Microeconomics  
Irwin McGraw-Hill, 3<sup>rd</sup> edition

Recommended: Robert Rosenman  
Study Guide to Accompany Microeconomics  
Irwin McGraw-Hill

Exposition in class will closely follow the required textbook so that you are encouraged to read the book before coming to class. However, some extra material may be covered and handouts distributed. Remember that you are responsible for any information and announcement made in class! The study guide is a useful tool to make sure you understand the concept and the exercises as we cover the material. It contains a summary of each chapter of the textbook and exercises with solutions.

The midterm will be in class on February 27 and the cumulative final exam is scheduled for May 7 at 12:30 p.m. Make up exams will not be offered. If you miss the midterm exam for an excusable reason, the weights on problem sets, paper, and final exam will be increased.

You are also required to write a paper (no more than 5 pages) on a topic that interests you and that can be explained with the concepts and tools covered in class. It will be due on April 10; more information on this project will be provided in class.

Problem sets will be distributed generally every two weeks and they will be due one week after. No late problem sets will be accepted since solutions will be distributed and available on-line. You are encouraged to work together but you have to write your own answers otherwise the problem set will not be graded. Problem sets will be part of your final grade but only your best 4 grades out of 5 problem sets will be considered, in order to give you some flexibility.

The problem set schedule is:

<b>Problem set:</b>	<b>Due:</b>
PS #1	January 30
PS #2	February 13
PS #3	February 22
PS #4	March 27
PS #5	April 26

The overall grade for the course will be determined in the following way:

Problem sets (4 out of 5):	20%
Paper:	20%
Midterm exam:	25%
Final exam:	35%

Class participation is an important element of learning. You are encouraged to ask questions and interact as much as possible. Feel free to come to my office hours for any possible question you may have and check the course homepage for assignments and solutions. You may also consider to get tutoring at the Academic Development Center (for appointments: 552-0611).

Be advised that cheating on any exam will not be tolerated and will result in an automatic failing grade. Please refer to page on Academic Integrity in BC Student Handbook.

#### **4. Course outline**

1. Introduction: The market economy

Chapter 1: pages 1-8.

Handout: Math review

(1 class)

2. Consumer theory:

Chapter 2: pages 21-51.

Chapter 3: pages 55-85.

Chapter 4: pages 93-115.

Chapter 5: pages 121-132.

(3 weeks)

3. Producer theory:

Chapter 7: pages 197-224.

Chapter 8: pages 235-256.

Chapter 9: pages 259-285, 289-291.

(2 weeks)

4. Market structures:

Chapter 10: pages 299-308, 311-320.

Chapter 11: pages 326-342, 349-357.

Chapter 12: pages 370-394.

Chapter 13: pages 409-447.

Handout: The Microsoft case

Chapter 15: pages 484-510.

Chapter 16: pages 520-542. (if time permits)

(8 weeks)

## Tentative class schedule:

Tuesday 16 January:	Chapter 1 Handout	Tuesday 13 March:	Chapter 10
Thursday 18 January:	Chapter 2	Thursday 15 March:	Chapter 10
Tuesday 23 January:	Chapter 2 PS #1 handed out	Tuesday 20 March:	Chapter 11 PS #4 handed out
Thursday 25 January:	Chapter 3	Thursday 22 March:	Chapter 11
Tuesday 30 January:	Chapter 3 Chapter 4 PS #1 due	Tuesday 27 March:	Chapter 12 PS #4 due
Thursday 1 February:	Chapter 4	Thursday 29 March:	Chapter 12
Tuesday 6 February:	Chapter 5 PS #2 handed out	Tuesday 3 April:	Chapter 13
Thursday 8 February:	Chapter 7	Thursday 5 April:	Chapter 13
Tuesday 13 February:	Chapter 7 Chapter 8 PS #2 due	Tuesday 10 April:	Handout Paper due
Thursday 15 February:	Chapter 8 PS #3 handed out	Thursday 13 April:	HOLIDAY
Tuesday 20 February:	Chapter 8 Chapter 9	Tuesday 17 April:	Chapter 15
Thursday 22 February:	Chapter 9 PS #3 due	Thursday 19 April:	Chapter 15 PS #5 handed out
Tuesday 27 February:	Midterm	Tuesday 24 April:	Chapter 16
Thursday 1 March:	Midterm review	Thursday 26 April:	Chapter 16 PS #5 due
Tuesday 6 March:	SPRING BREAK	Tuesday 1 May:	Review session
Thursday 8 March:	SPRING BREAK	Monday 7 May:	FINAL EXAM