

OVERVIEW

This course covers the basic tools of microeconomics, primarily consisting of the optimizing behavior of individual economic units (consumers and business firms), and their resulting interactions in markets. This material is quantitative and mathematical. It is presented using graphical analysis, algebra, and basic calculus.

TEXT

The required texts are, "Intermediate Microeconomics: A Modern Approach," 5th Edition, by Hal Varian, and "Workouts in Intermediate Microeconomics," 5th Edition, by Theodore Bergstrom and Hal Varian.

GRADING

Midterm: 45%, Final: 45%, homework and class participation: 10%.

HOMEWORK

Experience has shown that Micro is best learned by working on practice problems, not by rote memorization. Homework consist of handouts and problems from "Workouts in Intermediate Microeconomics." The homeworks will not be formally graded, but whether they have been turned in or not will be noted and will affect your course grade. The TA will hold regular review sessions to go over the homework.

GETTING HELP

There will be a teaching assistant for this course, with office hours that will be announced in class. I will be available to answer questions immediately after class. I am frequently in my office at other times, and you are welcome to come see me anytime that I'm in.

SYLLABUS

Basic Supply and Demand. Varian chapter 1.
Math review. Varian Mathematical Appendix.
The Budget Constraint. Varian chapter 2.
Preferences. Varian chapter 3.
Utility. Varian chapter 4.
Choice. Varian chapter 5.
Demand. Varian chapter 6.
Slutsky equation, Income and Substitution Effects. Varian chapter 8.
Net and Gross Demands, Labor Supply. Varian chapter 9.
Intertemporal Choice and Present Value. Varian chapter 10.
Consumer Surplus. Varian chapter 14.
Market Demand. Varian chapter 15.
Equilibrium. Varian chapter 16.

MIDTERM EXAM

Technology. Varian chapter 18.
Profit Maximization. Varian chapter 19.
Cost Minimization. Varian chapter 20.
Cost Curves. Varian chapter 21.
Firm Supply. Varian chapter 22.
Industry Supply. Varian chapter 23.
Monopoly pricing. Varian chapter 24.
Price Discrimination & other Monopoly Behaviors. Varian chapter 25.
Factor Markets. Varian chapter 26.
Exchange and Trade, The Edgeworth Box. Varian chapter 29.

Oligopoly. Varian chapter 27.

Game Theory. Varian chapter 28.

Externalities, Public Goods, Asymmetric Info. Varian chaps 32, 35, 36.

FINAL EXAM