

**Ec201. 04 Microeconomic Theory,  
Fall 1997  
MWF 10, Fulton 115**

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**Office:** Carney 243, x 4514

**Office Hours:** Mondays 1:00-1:50 p.m., Wednesdays & Fridays 11:00-11:50 a.m. and by appointment

**Prerequisite:** Ec131 or comparable course

**Introduction**

Microeconomic Theory is an intermediate level course in microeconomics. Its function is to provide students with a good understanding of the tools and concepts of microeconomics and an ability to use them in solving problems.

The work in this course consists of three forms of study: attending classes, studying the textbook and working on review questions and exercises given at the end of most chapters in the textbook.

Most students find the material in this course hard to learn overnight (e.g. the night before the exam!). It is better to work on the material all through the course by reading the assigned chapters before the relevant classes, and, after attending class, by rereading any parts that seemed difficult in the first reading. Then, test your understanding by going through the corresponding assignments of exercises. These are excellent practice for the examinations.

**Examinations and Grading Policy**

The examinations in the course consist of two in-term examinations, a final examination and 6-7 preannounced quizzes during classes. The quizzes will be based on assigned exercises. Answers to all exercises are on reserve in the library. The final course grade is based on these parts with percentage weights as shown overleaf:

1st midterm grade	25 %
2nd midterm grade	25 %
quiz grade total	10 %

final examination 40 %  
grade

The first midterm examination is tentatively scheduled to be held on 10/10/97, the second on 11/14/97. The final examination date is as scheduled by the Registrar.

Make-ups for missed midterm examinations will be given a) in the case of a temporarily incapacitating illness and b) when the absence is due to religious reasons (as described in the Undergraduate Catalog). Documentation will be required for a), and preannouncement for b). Make-ups may also be arranged for reasons of 'severe life events'.

### **Topics and Assigned Readings**

**TEXT:** Pindyck, Robert S. and Daniel L. Rubinfeld, 1997, *Microeconomics*. Fourth Edition, Prentice-Hall, Inc.

The following is a tentative timetable for the course. For each of the 37 class meeting times (excluding the two midterm examination dates), it lists the topics to be covered and the chapter(s) in the text that you should study for them. **NOTE:** All non-starred end-of-chapter exercises in the chapters listed below are to be regarded as assigned homework exercises (i.e. the quiz may include any one of them). Starred sections of the text and the associated starred exercises may be skipped, unless explicitly otherwise stated.

#### **DATES**

#### **TOPICS**

9/3- 9/5	Introduction (Chs. 1, 2)
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## *CONSUMER THEORY*

9/8-                    Consumer Optimum (Ch. 3)  
9/12

9/15-                 Demand Functions (Ch. 4.1-4.5)  
9/17

## *THEORY OF THE FIRM: Technological and Market Constraints*

9/19-                 Production Functions (Ch. 6)  
9/24

9/26-                 Cost Functions (Ch. 7.1-7.5)  
10/1

## *THEORY OF THE FIRM: Price Taking Behavior*

10/3-,                Perfect Competition: The Firm (Ch. 8)  
10/8

10/15-                Perfect Competition:  
10/17                The Industry and the Market (Ch. 9)

## *THEORY OF THE FIRM: Price Making Behavior*

10/20-                The Monopoly (Ch. 10.1-10.4, Ch. 11.1-11.4)  
10/24

10/27-                Monopolistic Competition and Oligopoly  
11/7                    (Chs. 12-13)

## *ADDITIONAL TOPICS*

11/10-                Input Markets (Ch. 14)  
11/12,  
11/17

11/19-                General Equilibrium and Economic Efficiency  
11/24                    (Ch. 16)

12/1-                 Selected Topics from Chapters 17 and 18  
12/5                    (to be announced later)

