

SYLLABUS  
BOSTON COLLEGE  
DEPARTMENT OF ECONOMICS

EC201  
Microeconomic Theory

A. Laramie  
Fall 2004

OFFICE HOURS:

Office: 21 Campanella Way, Room 480C

Hours: Tuesday and Thursday 10:30 to 11:30 and by appointment

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REQUIRED READINGS: Browning and Zupan, Microeconomic Theory and Applications, 8th Edition, Wiley, 2004

COURSE OBJECTIVE: The purpose of this course is to provide a broad background in microeconomic theory and policy. Microeconomic theory provides a guide to rational decision making. Various decision rules are introduced to guide rational economic behavior. In this course, we develop those decision rules, apply those rules to a number of situations, and consider the economic efficiency and policy implications.

COURSE DESCRIPTION:

I. Introduction.

- A. The origins of microeconomics
- B. An introduction to microeconomics as described in your text
- C. Supply and demand

II. The Theory of Consumer Behavior

- A. The theory of individual consumer choice
- B. The individual and market demand
- C. The consumer's choice to save or borrow
- D. The investor's choice
- E. Exchange Efficiency and Prices

III. The Theory of Production

- A. Preliminary Assumptions and Technical Relations
- B. Costs of Production
  - i. Short run
  - ii. Long run

IV. Market Structures and Economic Performance

- A. Profit maximization in perfectly competitive markets
- B. Efficiency implications
- C. Monopoly
- D. Price Discrimination
- E. Efficiency Implications
- F. Natural Monopoly
- G. Monopolistic Competition and Oligopoly
- H. Economic efficiency and imperfect competition

### GRADING:

Grading is based upon two semester exams and a final exam. Each semester exam's grade weight is 30%. The final exam's grade weight is 40%. The final exam will be cumulative.

Review questions and problems: In addition to the readings, review questions and problems are assigned. Review questions and problems are to be completed as assigned. Answering the questions and problems will help you test your comprehension of the readings and help you prepare for the exams.

### CLASS ATTENDANCE:

Attendance will be taken at the beginning of every class. Regular attendance is expected.

### TENTATIVE ASSIGNMENT SCHEDULE:

9/7	Introduction Chapters 1 Questions 1.5, 1.7, 1.9, 1.8, 1.11 Chapter 2
9/14	Chapter 2 continued Questions 2.1, 2.4, 2.5, 2.7,2.8, 2.9, 2.10, 2.12, 2.14, 2.15,
9/21	Chapter 3 Questions 3.1, 3.2, 3.3, 3.5, 3.8 - 3.10, 3.14, 3.16, 3.19
9/28	Chapter 4 Questions 4.1 - 4.4, 4.6, 4.7, 4.22
10/5	Chapter 5, sections 5.4 and 5.5 Questions 5.10, 5.11, 5.12, 5.18, 5.21
10/12	Chapter 6 Questions 6.1 - 6.5, 6.8, 6.9, 6.11, 6.12, 6.13, 6.20
10/19	Review EXAM 1
10/26	Chapter 7 Questions 7.1 - 7.5, 7.7, 7.10, 7.12, 7.13, 7.15, 7.16, 7.17, 7.19
11/2	Chapter 8 Questions 8.1 - 8.8, 8.10, 8.16, 8.19
11/9	Chapter 9 Questions 9.1 - 9.7, 9.10, 9.11, 9.12, 9.14, 9.16, 9.18, 9.22 Chapter 10

Questions 10.1 - 10.5

11/16 Review

EXAM 2

11/23 Chapter 11

Thanksgiving Day 11/25

11/30 Questions 11.1, 11.2, 11.5, 11.7, 11.9, 11.12, 11.14, 11.15, 11.16-11.20

Chapter 12, sections 12.1 - 12.3

12/7

Chapter 13

Questions 13.1 - 13.5, 13.8, 13.12, 13.17

Final exam as scheduled