

ECON-703**Microeconomic Theory****Fall 2008**

Instructor: Kara Reynolds
Office: 206 Roper Hall
Office Phone Number: (202) 885-3768
E-mail Address: reynolds@american.edu
Office Hours: Tuesdays and Thursdays, 1:00-3:00

Time and Location: Thursdays, 5:30-8:00

Course Webpage: Please see blackboard site.

COURSE DESCRIPTION: This is a doctoral level course in microeconomics, providing a formal analysis of consumer theory, producer theory, and market outcomes. The material learned in this course will serve as a foundation for further study in virtually all fields of economics. Students are expected to have already successfully completed an Intermediate Microeconomics and Calculus courses at the undergraduate level.

TEXT:

The primary text for this course is Varian, Hal R. (1992). *Microeconomic Analysis, Third Edition*. New York: W.W. Norton & Company. For a more thorough and rigorous treatment of the material you may refer to Mas-Colell, Whinston, and Green (1995), *Microeconomic Theory*, New York: Oxford University Press. I have placed a copy of this text on reserve at the library. The text Jehle and Reny (2000), *Advanced Microeconomic Theory*, Boston: Addison Wesley is wordier than Varian, and thus explains some topics more clearly.

You may also want to have a Master's or Intermediate-level Microeconomic textbook as a source of reference. Here are some recommended texts...

- (1) Nicholson, Walter, *Microeconomic Theory*. Southwestern.
- (2) Varian, Hal R. *Intermediate Microeconomics*. W.W. Norton & Company.

GRADING:

Problem Sets	15%
Midterm #1 (Sept. 25)	25%
Midterm #2 (Oct. 30)	25%
Final Exam (Dec. 11)	35%

I plan to place on the course website biweekly problem sets that will be due at the beginning of class on the dates noted below. Late problem sets will receive a grade of zero. Students are welcome to collaborate on the problem sets as long as you write the answers yourself and list those students you worked with on the first page of the problem set. The best way to learn the material is to struggle through these problem sets!

Exams cannot be missed, and makeup exams will not be given under any circumstance. Students who must miss an exam due to a family or medical emergency, and can document that emergency, can scale their other exam scores up proportionately.

Below is a rough course outline, including due dates for each homework assignment and the exam dates. Note that there is no class on Thanksgiving, November 27. The dates of lectures are subject to how much time we take for each section.

COURSE OUTLINE:

I. Producer Theory (<i>Chapters 1-6</i>)	<i>Aug. 28-Sept. 11</i>
<i>Homework#1 Due</i>	<i>Sept. 4</i>
<i>Homework#2 Due</i>	<i>Sept. 18</i>
<i>Midterm #1</i>	<i>Sept. 25</i>
II. Consumer Theory (<i>Chapters 7-11</i>)	<i>Sept. 18-Oct. 2</i>
III. Competitive Equilibrium and Welfare Analysis (<i>Chapter 13</i>)	<i>Oct. 9</i>
<i>Homework#3 Due</i>	<i>Oct. 9</i>
<i>Homework#4 Due</i>	<i>Oct. 23</i>
<i>Midterm #2</i>	<i>Oct. 30</i>
IV. Market Power (<i>Chapters 14 and 16</i>)	<i>Oct. 16-23</i>
V. Externalities and Public Goods (<i>Chapters 23-24</i>)	<i>Nov. 6-Nov. 13</i>
VI. Imperfect Information (<i>Chapter 25</i>)	<i>Nov. 20</i>
VI. General Equilibrium (<i>Chapters 17-18</i>)	<i>Dec. 4</i>
<i>Homework#5 Due</i>	<i>Nov. 13</i>
<i>Homework#6 Due</i>	<i>Dec. 4</i>
<i>Final Exam</i>	<i>Dec. 11</i>