

ECON-500**Microeconomic Theory****Fall 2008**

Professor: James Bono
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Office Hours: Monday 2:30-5:20pm, Friday 9-11am (tentative)

Time: Mondays, 5:30-8:00pm
Location: Ward 101

Course Webpage: Please See Blackboard Site.

COURSE DESCRIPTION: The purpose of this course is to explore the foundations of microeconomic theory, focusing on the behavior of individuals, firms and the interaction of these agents in the marketplace. The organization of markets and its implications for firm behavior will also be examined. Moreover, the process by which these markets reach equilibrium will be explored. Finally, the concepts of market efficiency will be discussed. The principles covered in this course are building blocks, which can and will be used to analyze many specialized topics, such as externalities, international trade policy, and public goods.

TEXT: The primary text for this course is Nicholson, Walter (2008). *Microeconomic Theory, Tenth Edition*. New York: Thomson Southwestern. However, you may also want to have an Intermediate-level Microeconomic textbook as a source of reference. Here are some recommended texts...

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

For those whose math skills may be a little rusty, you may also want to invest (or check out of the library) a Calculus textbook.

GRADING:

Problem Sets	15%
Midterm #1 (<i>October 6</i>)	25%
Midterm #2 (<i>November 17</i>)	25%
Final Exam (<i>December 8</i>)	35%

I plan to place bi-weekly problem sets on the course website that will be due at the beginning of class on the dates listed 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 preliminary course outline. Dates are subject to change.

COURSE OUTLINE:

I. Introduction and Math Review August 25
(Chapter 2)

Homework #1 Due September 8

II. Consumer Behavior September 8-15
(Chapters 3-6)

Homework #2 Due September 22

III. Producer Behavior September 22-29
(Chapters 7-9)

Midterm #1 October 6

IV. Competitive Markets and Equilibrium October 13-20
(Chapters 10-11)

Homework #3 Due October 13

V. Market Power October 27-November 3
(Chapters 13-14)

Homework #4 Due November 3

VI. Public Goods and Externalities November 10
(Chapter 20)

Midterm #2 November 17

VII. Economics of Information November 24
(Chapter 19)

Homework #5 Due December 1

VIII. Game Theory December 1
(Chapter 15)

Final December 8