Outline: This is a course in neoclassical microeconomic theory. Its pre-requisite is ECON 130: Principles of Economics. There will be four parts to this course. The first will focus on the behavior of consumers. The second will focus on the behavior of firms. The third will exam competitive equilibrium. We will conclude the course by going beyond the basic model and examining the problems of uncertainty and market failure.

Objectives: After the course, students will be able to:

- Assess the impact of economic policy using supply and demand analysis
- Decompose price changes into substitution and income effects
- Derive demand and supply schedules from 1st principals
- Determine prices under perfect and imperfect competition
- List conditions under which perfect competition does and does not obtain
- Discuss policies that can rectify market failures


Grading: Midterm 1 - Sep 30, 2008 - 20% or 30%
Midterm 2 - Nov 13, 2008 - 20% or 30%
Problem Sets and Quizzes - 20%
Final Exam - 30%

The highest score of the two midterms will get weighted 30%. There may be some quizzes that will be assigned randomly. Attendance is not mandatory, but if you miss a quiz then you fail. Exams and quizzes will only be made-up with a legitimate medical excuse.

Office Hours: Friday 1:30 - 3:00 or by appointment
Content: 
Supply and Demand 
Consumer Theory 
Producer Theory 
Competitive Equilibrium 
Market Power 
Uncertainty 
Externalities 
Public Goods