ECON. 407
SPRING 1985
MW 2:00-2:50
ECON RM 117

SUBJECT
Economics is concerned with the allocation of scarce resources in a society. The term "micro" implies the focus on the individual consumer, producer, or market. This course addresses the use of price theory to allocate resources at the micro level. The course is divided into six major sections:

I. Consumer Theory
II. Producer Theory
III. Market Structures
IV. Factor Markets
V. General Equilibrium
VI. Market Failures

GRADING
The course will be broken down as follows:

- Midterm 1: 20%
- Midterm 2: 20%
- Homework: 20% (4-6 assignments)
- Final Exam: 40% (comprehensive)

100%

TEXT

DATE | SUBJECT | READING
---|---|---
1/23 | Introduction | Ch. 1
1/25 | Supply and Demand Review | Ch. 2

I. Consumer Theory

1/28, 30 | A. Utility Analysis | Ch. 3
2/1 | B. Individual and Market Demand Curves |
2/4, 6 | C. Elasticity |
8/9, 10 | D. Extensions and Applications of Demand Theory | Ch. 4
1. Income and Substitution Effects |
2/11 | 2. Consumer Surplus |
2/15 | 3. Price Indices |
2/20 | 4. Efficiency in Exchange |

2/22 | MIDTERM 1 |

II. Producer Theory

A. Production Analysis | Ch. 5
2/25 | 1. Production in the Short Run |
2/27 | 2. Production in the Long Run |
3/1 | 3. Types of Production Functions |
4. Efficiency in Production |
II. (Continued)
   B. Cost Analysis
      3/4 1. Short-run Costs
      3/6 2. Long-run Costs
      3/9, 11 3. Esquerra and costas

III. Market Structures
   3/13, 15 A. Competition
   3/15, 20 B. Monopoly
   3/22, 4/1 C. Oligopoly
   4/3, 5 D. Oligopoly
   4/8, 10 E. Monopolistic Competition

4/12 MIDTERM 2

IV. Factor Markets
   A. Competition
      4/12, 17 1. Theory
      4/19 2. Labor
      4/22 3. Capital
   B. Imperfect Competition
      4/24, 26 1. Market Structures
      4/29 2. Profit and Rent

V. General Equilibrium and Welfare
   A. Efficiency
      5/1, 3
   B. Social Welfare
      5/6

VI. Market Failures
   A. Natural Monopoly
      5/9
   B. Public Goods
      5/10
   C. Externalities
      5/13
   D. Common Property Resources
      5/16

FINAL EXAM (SAT., MAY 18, 7:30 - 10:30 PM)