Text and Reading Materials:
Supplementary Materials in a Readings Packet Available at Kinko’s Copies on the Hill (required).

TOPICS AND READINGS

1. Mathematical Review: calculus and marginal analysis; optimization; Lagrangian multipliers.
   Binger and Hoffman: Chapters 1-4.

2. Consumer theory: utility, indirect utility and expenditures functions; applied demand analysis; compensated demand functions.
   Binger and Hoffman: Chapters 5-9.

EXAM I

3. Production and Cost Analysis: Production functions, cost functions, input demand functions; duality between profit maximization and cost minimization; empirical forms of cost and production functions.
   Binger and Hoffman, Chapters 10-13.

4. Competition and Monopoly: efficiency and Pareto optimality of competitive markets; welfare loss from monopoly; price regulation strategies.
   Binger and Hoffman, Chapters 14, 15.
EXAM II

5. Input Markets: Labor supply and demand; household production and allocation of time; capital markets and optimization over time.
   Binger and Hoffman, Chapters 17, 18.

   Bingham and Hoffman, Chapter 21.

FINAL EXAM