Intermediate Microeconomic Theory  
Economics 3070

Professor Elizabeth Peters  
Office: Econ 114  
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Fall 1993  
Office Hours: 2-3:30 Tu/Th or by appt.

Course Content and Objectives:

This course is required for economics majors. Topics include theories of consumer and firm behavior and how the interactions of these two sides of the market lead to equilibrium prices and quantities. Market imperfections, public goods, uncertainty, and time and information costs will also be discussed.

The goals of the course are to provide the students with a basic understanding of the micro foundations of economic theory. More generally students should be able to use the tools of microeconomics to understand a wide range of individual behaviors and social phenomena as well to analyze the consequences of various public policies.

Required Reading:


Halteman, James, Study Guide to Accompany Microeconomics and Behavior.

Both books are available at the UMC bookstore.

Other Course Requirements and Grading:

Your final grade will be based on two midterms (30 percent each) and a final comprehensive exam (40 percent). Problem sets will also be assigned. These problem sets will not be graded, but answers will be provided. Students are urged to work through the assignments carefully to test their understanding of the material and to practice their problem solving skills.
COURSE OUTLINE AND READING ASSIGNMENTS

I. Introduction and Review of Supply and Demand
   
   Chapters 1 and 2
   Aug. 26, 31

II. The Theory of Consumer Behavior
   
   A. Rational Consumer Choice
      Chapter 3
      Sept. 2, 7
   
   B. Individual Demand
      Chapter 4
      Sept. 9, 14
   
   C. Market Demand
      Chapter 5
      Sept. 16
   
   D. Intertemporal Choice and Choice Under Uncertainty
      Chapter 6
      Sept. 21, 23

   REVIEW AND MIDTERM I
      Sept. 28, 30

III. The Theory of the Firm and Market Structure
   
   A. Production
      Chapter 9
      Oct. 5, 7
   
   B. Costs
      Chapter 10
      Oct. 12, 14
   
   C. Perfect Competition
      Chapter 11
      Oct. 19
   
   D. Monopoly
      Chapter 12
      Oct. 26
   
   E. Other Market Structures
      Chapter 13 and Chapter 14
      Oct. 28, Nov. 2

   REVIEW AND MIDTERM II
      Nov. 4, 9

IV. Special Topics
   
   A. Factor Markets
      Chapter 15
      Nov. 11, 16
   
   B. General Equilibrium and Welfare
      Chapter 18
      Nov. 18, 23
   
   C. The Economics of Information
      Chapter 16
      Nov. 30
   
   D. Externalities Property Rights and the Coase Theorem
      Chapter 19
      Dec. 2

   REVIEW
   FINAL EXAM
   Dec. 7
   Dec. 14