Course Description

This course is a continuation of Econ 7010. In that course you studied the behavior of individual consumers and firms. In this course we will explore the economic behavior of collections of firms and/or consumers. We will study models of interactions between groups of optimizing agents.

At first we will consider small numbers of consumers and/or firms. This will include a discussion of game theory and oligopoly. We will then turn to several models which involve many interconnected markets. We will analyze models in which consumers exchange goods with each other, either with or without firms in the economy. We will explore the behavior of so-called perfect competition, and also discuss desirable features of an economic system. At the end of the course we will consider some topics in welfare economics, including public goods and externalities, and if time permits we will discuss information economics.

Course Requirements

You must have taken Econ 7010 before taking this course. Your grade will be based on two exams, a group project and homework. I encourage you to discuss the homework with other students in the class; but you must write your answers individually. The weights are as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Homework</td>
<td>20 %</td>
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<tr>
<td>Project</td>
<td>10 %</td>
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<tr>
<td>Midterm</td>
<td>20 %</td>
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<tr>
<td>Final</td>
<td>50 %</td>
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ECON 7030

Spring 1993

Textbooks


Course Outline

Ch. 15 Game Theory
Ch. 16 Oligopoly
Ch. 17 Exchange
Ch. 18 Production
Ch. 19 Time
Ch. 20 Asset Markets
Ch. 21 Equilibrium Analysis
Ch. 22 Welfare
Ch. 23 Public Goods
Ch. 24 Externalities
Ch. 25 Information