SYLLABUS
BOSTON COLLEGE
DEPARTMENT OF ECONOMICS

ECON2201 A. Laramie
Microeconomic Theory Fall 2018

Office Hours: Maloney Hall, Room 386B; Tuesday and Thursday 10:45 am to 11:45 pm and by appointment; E-mail: laramiea@bc.edu


Prerequisites: Principles of Microeconomics (ECON1131); Calculus I (MATH1100)

Course Description: The purpose of this course is to provide a broad background in microeconomic theory and policy. Microeconomic theory provides a guide to rational choice. Various decision rules are introduced to guide rational economic behavior. In this course, we develop the rules of optimal decision making, apply those rules to various situations (including market analysis, optimal consumer choice, optimal savings decisions, optimal exchange, optimal resource allocation and cost minimization, and markets structure analysis). The normative implications (efficiency, equity and stability) of rational choices are analyzed. In this course, students become acclimated to using math to complement and to explore economic analyses.

The specific learning goals for this course include: To understand that economics is a social science—it is the study of social relationships; To understand the principles of market analysis: opportunity costs, supply and demand, constrained optimization and elasticity; To understand normative market analysis; i.e. the efficiency, equity and stability criteria used in judging market performance; To understand the relationship between core assumptions and world views; To understand national and international economic events; To understand national and international economic policies; To apply economic principles to public policy and business problems.

Course Outline:
I. Introduction.
   A. The origins of microeconomics: A quick review of Classical Liberalism
   B. An introduction to microeconomics as described in your text
   C. Supply and demand: An review of market analysis
II. The Theory of Consumer Behavior
   A. The theory of individual consumer choice
   B. The individual and market demand
   C. The consumer's choice to save or borrow
   D. The investor's choice
   E. Exchange Efficiency and Prices
III. The Theory of Production
   A. Preliminary Assumptions and Technical Relations
   B. Costs of Production
      i. Short run
      ii. Long run
IV. Market Structures and Economic Performance
   A. Profit maximization in perfectly competitive markets
   B. Efficiency implications
   C. Monopoly
   D. Price Discrimination
   E. Efficiency Implications
   F. Natural Monopoly
   G. Monopolistic Competition and Oligopoly
   H. Economic efficiency and imperfect competition

Homework: In addition to the assigned readings, end-of-chapter exercises have been assigned. You are to complete these exercises as tentatively scheduled below. The exercises will be collected and graded on a 0 to 10 scale (with ten being the maximum number of points). Homework emailed to me will not be accepted. The grade on homework submitted late will be reduced by one point for every class day (defined as Monday through Friday) that it is late.

Attendance: Attendance will be taken at the beginning of class. Regular attendance is expected.

Classroom Etiquette: Students need to arrive to class on time, and remain seated during the class period. In case a student needs to leave the classroom during the class period, the student may do so, but the student will not be readmitted until the class period is over. Use of electronic/mobile devices, such as cell phones, tablets and computers, is prohibited during class time. Cell phones must be off the desk and stowed away during class times. The use of an electronic device, such as a laptop computer or a tablet, is allowed, if the appropriate college officer recommends the use of the device as a reasonable American Disabilities Act learning accommodation. Handheld calculators are allowed in the classroom. Cell phone/tablet calculators are not allowed in the classroom. Failure to adhere to these standards can result in a reduction, at my discretion, in your course grade.

Academic Integrity: "Academic integrity is central to the mission of higher education. Please observe the highest standards of academic integrity in this course. Please review the standards and procedures that are published in the university catalog (see: http://www.bc.edu/offices/stserv/academic/integrity.html). Make sure that the work you submit is in accordance with university policies. If you have any questions, please consult with me. Violations will be reported to the Deans' Office and reviewed by the College's Committee on Academic Integrity. Violations could result in failure in the course or even more severe sanctions." (letter from Joseph Quinn)
**Grading:** Grading is based upon two semester exams, graded homework assignments, and a final exam. Each semester exam's grade weight is 25%. The homework’s grade weight is 10%. The final exam's grade weight is 40%. The final exam will be cumulative.

**TENTATIVE ASSIGNMENT SCHEDULE:**

**Week of:**

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<tr>
<th>Date</th>
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| 8/28 | Introduction  
    | Chapters 1  |
| 9/4  | Chapter 1 continued, Questions 1.6, 1.8  
    | Chapter 2  |
| 9/11 | Chapter 2 continued, Questions 2.4, 2.7, 2.9, 2.12, 2.15,  
    | Chapter 3  |
| 9/18 | Chapter 3 continued Questions 3.1, 3.5, 3.8, 3.15, 3.16  
    | Chapter 4  |
| 9/25 | Chapter 4 continued, Questions 4.2, 4.3, 4.7, 4.20  
    | **Exam 1 (Chapters 1 - 4)**  |
| 10/2 | Chapter 5 continued, Questions 5.10, 5.12, 5.18  
    | Chapter 6  |
| 10/9 | No Classes on Tuesday, Fall Break  
    | Chapter 5, sections 5.5 and 5.6  |
| 10/16| Chapter 5 continued, Questions 5.10, 5.12, 5.18  
    | Chapter 6  |
| 10/23| Chapter 6 continued, Questions 6.1, 6.2, 6.6, 6.13  
    | Chapter 7, Questions 7.1, 7.2, 7.7, 7.12, 7.16  |
| 10/30| Chapter 8, Questions 8.1, 8.3, 8.8, 8.10, 8.19  
    | **EXAM 2, (Chapters 5 -8)**  |
| 11/6 | Chapter 9  
    | Chapter 9, continued, Questions 9.6, 9.11, 9.14, 9.16, 9.22  |
| 11/13| Chapter 10, sections 10.1, 10.2, questions 10.1, 10.2  
    | Thanksgiving Break: No classes Wednesday through Friday  |
| 11/20| Chapter 11, Questions 11.5, 11.7, 11.14, 11.15  
    | Chapter 12, sections 12.1, 12.2, 12.3  |
| 12/5 | Chapter 13  
    | **Final exam: December 15, Saturday, at 9:00AM**  |