

Economics 360A: Intermediate Microeconomics  
Fall 2009

Mingmei Jones  
Phone: 777-4755  
Email: [mjones@binghamton.edu](mailto:mjones@binghamton.edu)

LT 914  
Office Hours:  
Tue. & Thur., 3:00-4:00 p.m.

*Required Text:* Steven E. Landsburg, “Price Theory and Applications,” 7<sup>th</sup> edition, Thomson/South-western, 2008.

*Prerequisites:* Grade of C or better in ECON 160; also grade of C or better in college level calculus (A-required from 2-year school).

Content

We study the optimization process of consumers and producers given their economic constraints and how the their optimal decisions are affected by changes in the economic environment (e.g., changes in tastes, a new government policy). We examine a variety of different market structures (perfect competition, monopoly, oligopoly, etc.), and emphasize the differences between short-run and long-run equilibria in the case of perfect competition. We examine both the positive and the normative aspect of each market structure, i.e., how the market reaches its equilibrium (positive question) and whether such an equilibrium is socially efficient (normative question). A little time is devoted at the end to an introduction to game theory (useful for understanding strategic interactions among firms) and to the provision of public goods (which differs substantially from that of private goods).

*Learning objectives:* To understand microeconomic theory on its own terms, to be able to use it as a set of analytical tools, to acquire a sense of appreciation for the wide applicability of these tools (sometimes in non-economic contexts), to learn to evaluate government policies which change individuals’ and firms’ economic incentives.

Topics and timeline (tentative)

Date	Topic and Reading Assignment
1 class	Chapter 19: Introduction
1 week	Chapter 3: The behavior of consumers
1 ¼ weeks	Chapter 4: Consumers in the market place
1 ¼ week	Chapter 5: The behavior of firms
	Chapter 6: Production and costs
<b>Thursday, Oct. 1</b>	<b>1<sup>st</sup> Midterm Exam</b>
2 weeks	Chapter 7: Perfect competition
1 class	Chapter 8: Welfare economics
1 ½ weeks	Chapter 10: Monopoly
<b>Thursday, Nov. 5</b>	<b>2<sup>nd</sup> Midterm Exam</b>
1 ½ weeks	Chapter 11: Oligopoly and monopolistic competition
1 week	Chapter 12 (section 12. 1 only): Game theory
1 class	Chapter 13 (mainly 13.1, 13.2): Externalities
1 week	Chapter 14: Common property and public goods

## Requirements

1. *Exams*: There will be two in-class midterm exams and one final exam. The final will be comprehensive.
2. *Homework Assignments*: There will be about 6 to 7 homework assignments, which will be collected and graded. Additional exercises that will *not* be collected will be assigned too. Although these additional exercises will not be graded, it would be a good idea to work through them as it provides good practice. One good way to really learn microeconomic theory is to plough through as many problems as you possibly can. Assignments will be posted on “Blackboard.”

\* Late homework will NOT be accepted.

3. *Reading*: You should browse through each chapter before it is covered in class, and read it again - focusing on materials that you feel you don't understand well yet - after the class. There is really not enough time for us to cover all the materials in detail in class. So you will have to read and understand some topics on your own.
4. *Attendance*: Attending class regularly is important. My expectation is that you will be there. But I reserve the right to take attendance on random days and on a selected group of students. Recorded absences with no valid excuse will affect your grade unfavorably.

\* Please do not show up to class LATE or leave EARLY, it is very disruptive. If I note that you have habit of doing so, it will affect your grade unfavorably.

## Grading

Grades will be based on the two midterm exams (24% each), the final (34%), the homework assignments (18%). (But note also the attendance policy above.)

### ECONOMICS DEPARTMENT POLICY REGARDING MAKE-UP FINAL EXAMS

**ALL** make-up final exams in Economics will be given **Friday, December 18 from 8:00 to 10:00 AM**. All officially scheduled final exams are linked from the [BU Brain](#) – check **NOW** for conflicts. If a conflict exists you may request a make-up exam from the instructor of **ANY** of the conflicting courses. If you choose to request a make-up exam for an economics course, a sign-up list to request the make-up exam will be available in class after the add/drop deadline – ask the instructor. Students **MUST** make their request for a make-up exam in economics **NO LATER THAN FRIDAY, October 9**.

It is **the student's responsibility** to learn from the instructor if the request has been approved. Only students who are approved may take a make-up final exam. Students who have not requested a make-up exam in an economics course by **October 9** will be required to resolve conflicting exams with the instructor in one of their other courses.

Make-up exams are approved **ONLY** for the following conditions:

- Conflicts with the **OFFICIAL** final exam schedule (e.g. exams at the same time or more than two exams within 24 hours).
- **DOCUMENTED** personal illness or family emergency.