

Economics 1110  
Intermediate Microeconomics  
Fall 2010 - Course Syllabus

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Office hours on Wednesday from 10:30 - noon  
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TA: Pantelis Solomon      Pantelis\_Solomon@brown.edu  
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Class Meetings:      Tuesday and Thursday, 9–10:20 am

TA sections:      Thursday 1:00 – 1:50 pm, in Sayles Hall 204  
Thursday 7:00 – 7:50 pm, in Smith-Buonanno G01

Course Description:

In this course, we explore the decision-making of consumers and firms, and examine how markets allocate resources. We begin by studying theories of the consumer and the producer. Next, we combine both in the study of individual markets, including perfect competition, monopoly, and oligopoly. Following the study of individual markets, we discuss how markets interact in the economy and emphasize the efficiency properties of the competitive system. The course ends with an analysis of some of the circumstances in which competitive markets may fail to produce efficient outcomes.

Prerequisites:

Economics 11 or equivalent, and Mathematics 9 or 10 or equivalent (calculus of one variable and, ideally, multivariable calculus).

Textbook:

I will post on MyCourses a draft of a new textbook by Roberto Serrano and Allan Feldman. The files cover all of the topics we'll study in this course, and they can be downloaded and printed for free. If you would rather have a more standard textbook, you can purchase Hal Varian's *Intermediate Microeconomics: A Modern Approach* (any edition). You might also find useful the exercise book that accompanies Varian's book, *Workouts in Intermediate Microeconomics*, by Bergstrom and Varian.

Grading Policy:

The course grade will be divided into:

- 30 percent for the weekly homework assignments (due in class on Thursdays)\*\*
- 20 percent each for two midterm exams
- 30 percent for a cumulative final exam

\*\* No late homework assignments will be accepted, but I will drop your lowest problem set grade.

Exam Dates:

Midterm 1: Thursday, October 7  
Midterm 2: Thursday, November 11  
Cumulative Final: Thursday, December 16 (2 pm)

<b>Topics</b>	<b>Serrano and Feldman</b>
1. Course introduction	Preface & Lesson 1
<b>Part I. The Theory of the Consumer</b>	
2. Preferences and utility	Lesson 2
3. The budget constraint	Lesson 3 (skip 3.5)
4. Demand functions	Lesson 4
5. Supply of labor and savings	Lesson 5 (plus 3.5)
6. Welfare economics	Lesson 6
<b>Part II. The Theory of the Producer</b>	
7. Cost minimization and long run cost functions	Lesson 8
8. Short run cost curves and firm supply	Lesson 7
<b>Part III. Market Structures: Partial Equilibrium</b>	
9. Perfectly competitive markets	Lesson 9
10. Monopoly and monopolistic competition	Lesson 10
11. Duopoly	Lesson 11
<b>Part IV. General Equilibrium</b>	
12. Exchange	Lesson 13
13. A production economy	Lesson 14
<b>Part V. Market Failures</b>	
14. Externalities	Lesson 15
15. Public goods	Lesson 16
16. Asymmetric information	Lesson 17