

Economics 410H            Honors Intermediate Microeconomics  
Instructor                Professor Biglaiser  
Office                      Gardner 306A [gbiglais@email.unc.edu](mailto:gbiglais@email.unc.edu)  
Office Hours              T&TH 10:00-11:00 and by appointment

**Theme of the Course:** This course is designed to teach the basic tools of microeconomic analysis. These tools will be useful in courses of applied microeconomics such as industrial organization, labor economics, trade and public finance.

**Grading Criteria:** There will be two midterms and a final exam. Each midterm will account for 25% of your grade; the final will account for 40%. The remaining 10% will be for homework. You are responsible for both the material presented in class and the assigned reading. The midterms are on 25 September and 30 October. The final is 7 December at 12:00 PM. No makeup exams will be given unless you have a university approved absences and notified me before the exam about it. If you miss an exam and do not have an approved absence, then the weight for that midterm will be put on the final. Material for the course can be found on the course Sakai website.

No electronic devices can be used in class. The honor code s in force at all times.

Reading Material. Nicholson and Snyder Microeconomic Theory 12<sup>th</sup> edition and other material that will posted on Sakai.

### **Outline of Course**

-----

#### I. Introduction

1. Economic Models (1)
2. Basic Mathematics (2.1-2.3)

#### II. Consumer Theory

1. Preferences and Utility Functions (3.1- 3.6)
2. Budget Constraints and Optimal choice (4.1-4.6 and 2.5-2.6)
3. Demand Functions and Income and Substitution Effects (5.1-5.4)
4. Risk (7.1-7.5, 7.7-7-11, 2.12)

#### III. Producer Theory

1. Production Functions and Technological Progress (9.1-9.6)
2. Cost Function (10.1-10.6)

#### IV. Profit Maximization and the Competitive Model

1. Profit Maximization (11.1-11.6)
2. Competitive Equilibrium and Applications (12.1-12.15)

#### V. Market Power I

1. Basic Monopoly (14.1-14.5)
2. Pharmaceutical Exercise

3. Price Discrimination (14.6-14.7)

VI. Market Power II

1. Basic Game Theory (8.1-8.5)
2. Oligopoly Experiment
3. Static Oligopoly (15.1-15.5)
4. Dynamic Oligopoly and Game Theory (15.6-15.8 and 8.7)

VII. Topics

1. Asymmetric Information (18.1-19.10 and 8.11)
2. Externalities (19.1-19.4)
3. Public Goods (19.5-19.7)
4. General Equilibrium (13.1-13.6)