

Economics 410H      Honors Intermediate Microeconomics  
Instructor            Professor Biglaiser  
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Office Hours         T&W 2:00 – 3:00 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 material. The course has a Sakai website. The midterms are on 24 September and 31 October. The final is 10 December at 8:00 AM. No makeup exams will be given unless you have a university approved absence 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 is in force at all times.

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

### **Outline of Course**

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#### 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 Functions (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. Ziprecruiter Case

3. Price Discrimination (14.6-14.7)
4. Pharmaceutical Exercise

## 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, Michael Lewis podcast)
2. Externalities (19.1-19.4)
3. Public Goods (19.5-19.7)
4. General Equilibrium (13.1-13.6)