

Intermediate Microeconomics
Economics 1110
Fall 2011 - Course Syllabus

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Office hours on Wednesday from 10:30 - noon

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Office hours on Wednesday from 1:00 -2:30 pm
Robinson Hall, basement

Class Meetings: Tuesday and Thursday, 10:30–11:50 am

TA sections: Thursday 6:00 – 6:50 pm, in Wilson 204
Friday 10:00 – 10:50 am, in Wilson 109

Course Description:

In this course, we will develop in much greater detail the tools of microeconomic analysis that were introduced in the Principles of Economics course. We begin by studying the decision-making of individual consumers, followed by the theory of the firm. Next, we examine how markets function under different conditions (perfect competition, monopoly, and oligopoly). After studying individual markets in isolation, we will analyze a general equilibrium model of two interconnected markets, and review the efficiency properties of the competitive system. The course ends with an examination of circumstances in which competitive markets fail to produce efficient outcomes.

Prerequisites:

Economics 0110 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 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:

The course grade will be calculated as follows:

20 percent each for two midterm exams

30 percent for a cumulative final exam

30 percent for the weekly homework assignments (due in class on Thursdays)

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

Exam Dates:

Midterm 1: Thursday, October 13
 Midterm 2: Thursday, November 17
 Cumulative Final: Wednesday, December 14 (9 am)

Topics	Serrano and Feldman
1. Course introduction	Preface & Lesson 1
Part I. The Theory of the Consumer	
2. Preferences and utility	Lesson 2
3. The budget constraint	Lesson 3 (skip 3.5 & 3.6)
4. Demand functions	Lesson 4
5. Supply of labor and savings	Lesson 5 (plus 3.5 & 3.6)
6. Welfare economics	Lessons 6 & 7
Part II. The Theory of the Firm	
7. Cost minimization and long run cost functions	Lesson 9
8. Short run cost curves and firm supply	Lesson 10
Part III. Markets - Partial Equilibrium	
9. Perfectly competitive markets	Lesson 11
10. Monopoly	Lesson 12
11. Duopoly	Lesson 13
Part IV. Markets - General Equilibrium	
12. An exchange economy	Lesson 15
Part V. Market Failures	
13. Externalities	Lesson 17
14. Public goods	Lesson 18
15. Uncertainty and Expected Utility	Lesson 19
16. Uncertainty and Asymmetric information	Lesson 20