

Intermediate Microeconomics

Economics 306-005 – Fall 2014

Mondays and Wednesdays 10:30am - 11:45am, R A208

Instructor: Paola A. Suarez Email: psuarez@gmu.edu Office Hours: By appointment

Office: Enterprise Hall, 328

Course Description

The objective of this course is for students to become familiar with basic principles of price theory. In particular, we will emphasize consumer choice theory, supply-and-demand analysis, production costs and firm structure, and market price and output determination under various market structures.

Prerequisites

Principles of Microeconomics (ECON 103), Principles of Macroeconomics (ECON 104), and one semester of calculus (MATH 108 or 133). I expect you to be familiar with the use of algebra to solve simple sets of simultaneous equations, graphing, and to understand the concept of a derivative.

Required Textbooks

David Friedman. *Price Theory: An Intermediate Text*. 1985.

Available free online:

http://www.daviddfriedman.com/Academic/Price_Theory/PThy_ToC.html

PDF version here

http://www.daviddfriedman.com/Academic/Price_Theory/Price%20Theory-%20D.%20Friedman.pdf.

This book is out of print, but there are used copies available for purchase.

Jack Hirshleifer, Amihai Glazer and David Hirshleifer. *Price Theory and Its Applications: Decisions, Markets, and Information*. Seventh Edition. 2005.

Peter Leeson. *The Invisible Hook*. 2009.

Recommended

Gary Becker. *Economic Theory*. Second Edition. 2007.

Armen Alchian and William Allen. *Exchange and Production*. 1983.

This book is unfortunately out of print, but there are plenty of used copies available for purchase online.

Peter Leeson. *Anarchy Unbound*. 2014.

Honor Code

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. Cheating, plagiarism, lying, and stealing are all prohibited and will not be tolerated. All violations of the Honor Code will be reported to the Honor Committee. See <http://honorcode.gmu.edu> for more detailed information.

Grading

Your grade in this course consists of weekly quizzes (40%), a midterm exam (30%), and a final exam (30%).

Quizzes: Quiz questions are based on the assigned readings and lectures. This means you cannot and will not do well in this class unless you do the assigned readings and attend the lectures. I will drop the lowest quiz grade to allow for unexpected events. No make-up quizzes are available. No exceptions.

Midterm: The midterm date is **TBA**. You cannot make-up the midterm under any circumstance. If you know ahead of time of some extenuating circumstance that will prevent you from taking the midterm, you must contact me ahead of time (i.e. at least 48 hours prior to the exam). In the event that you are excused from taking the midterm upon contacting me, I will shift your midterm grade towards your final (so your midterm will be worth 0% and your final 60%). If you do not contact me ahead of time and do not take the midterm, you will receive a zero. No exceptions.

Final: The final exam is from **10:30 am to 1:15 pm on Wednesday December 10th**. The final exam is comprehensive and you must take it on this date. If you know ahead of time of some extenuating circumstance that will prevent you from taking the final on the scheduled date, you must contact me ahead of time (i.e. at least one week prior to the exam). In the event that you are excused from taking the final on the scheduled date upon contacting me, we will arrange an alternate date. If you do not contact me ahead of time and do not take the final on the scheduled date, you will receive a zero. No exceptions.

No additional credit is available. No exceptions.

The grading scale is as follows.

A+	A	A-	B+	B	B-	C+	C	C-	D	F
98+	93-97	90-92	87-89	83-86	80-82	77-79	73-76	70-72	60-69	< 59

If, in my opinion, you are a student who consistently participates in class and your participation is exceptionally insightful and improves class discussion, I will bump your final semester grade by a third of a letter-grade.

Disability Notice

If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at 703.993.2474 or <http://ods.gmu.edu>. All academic accommodations must be arranged through that office. You must request all academic accommodations at the beginning of the semester.

Other Important Dates

Last day to add/drop classes with no tuition penalty—Tuesday, September 2nd.

Last day to drop (33% tuition penalty) – Tuesday, September 16th.

Last day to drop (67% tuition penalty)—Friday, September 26th.

Selective Withdrawal Period – Monday, September 29th - Friday, October 24th.

Course Outline

This is a tentative outline, subject to change due to weather and other factors. Reading assignments are to be read *before* class. I will announce assigned readings during class one week in advance. You are responsible for acquiring missed information in the event that you miss class. You are also responsible for any information delivered via email, so take the required steps to ensure your GMU email account is working properly.

1. Introduction to Microeconomics
2. Supply and Demand
3. Consumer Choice Theory
4. Theory of the Firm: Production and Costs of Production
5. Market Structures: Perfect Competition and Monopoly
6. Non-market Applications

Thanksgiving Break – November 26th – 30th.