

Class Time and Location

TR 2:35pm-3:50pm
241 RBC

Administrative

Office: 220 RBC
Office Hours: Wednesday & Friday 10:00am-12:00pm or by appointment
Phone: 603-205-3708
Email: era314@lehigh.edu

Course Description

Economics characteristically develops models to depict its subject matter. The models which may be described in words, graphs or mathematics are often abstract. Nonetheless, abstract models help to make sense of the world, in economics as in everyday life. The purpose of this course is to introduce you to the basic microeconomics models of consumer and firm behaviors and their interactions.

Learning Objectives

During the semester you should acquire an understanding and ability to apply the following concepts.

1. Apply marginal analysis to the determination of efficient choices.
2. Use constrained optimization to analyze consumer and firm decision making.
3. Use the supply and demand model to analyze competitive market outcomes.
4. Show the basic relationships between technology, production decisions, and costs.
5. Use demand functions, cost functions, market structures, and when appropriate game-theoretic concepts, in the analysis of a firm's decisions.
6. Analyze decisions that involve risk and uncertainty.

Prerequisites

ECO 1, 145 or equivalent course.

Text

Jeffrey M. Perloff, *Microeconomics: Theory and Applications with Calculus*, 4th Ed., Pearson

Course Requirements and Grades

Attendance	10%
Homework	10%
Quiz #1	20%
Quiz #2	20%
Final Exam	40%

Attendance: Attendance is expected and is part of the learning experience. I will randomly take attendance throughout the semester. You are allowed to miss one class, which means that I will drop one (missed) attendance and adjust remaining to 100 points. Class attendance and participation are strongly encouraged. I reserve the right to raise your attendance grade beyond 100 points should you actively participate class discussions. I also reserve the right to lower your attendance grade should any disruptive activity happens during lectures.

Homework: Throughout the semester I will assign six homework sets, which will consist of short problems. The due dates are listed in the course outline below. You are encouraged to work on the homework as a group, but need to turn in your own written assignment. Your answers should be written neatly on standard 8.5 x 11 paper, with the sheets stapled together. No late problem sets will be accepted. However, I will drop the lowest grade so you may miss one problem set with no penalty. You are responsible for downloading the homework assignments yourself.

Quizzes: The quizzes will be given in class on the following the dates: October 3, Tuesday (Quiz #1) and November 7, Tuesday (Quiz #2). There will be no make-ups given for the quizzes. If your exam absence is excused (need to have an official letter from the University), then the final exam weight is adjusted by the quizzes missed (e.g., If you are excused from one quiz, then the final exam weight is 60%) .

Final Exam: The final exam will ONLY cover the material after the second quiz – it is not comprehensive. The date for the final exam is going to be determined by the registrar. Please make your plans accordingly. If you are unable to take the final at the designated time, then you must follow the procedures in the Lehigh Student Handbook. No makeup final exams will be given except on the official makeup day as determined by the registrar.

Academic Integrity

Lehigh University Student Senate Statement of Academic Integrity. “We, the Lehigh University Student Senate, as the standing representative body of all undergraduates, reaffirm the duty and obligation of the students to meet and uphold the highest principles and values of personal, moral and ethical conduct. As partners in our educational community, both students and faculty share the responsibility for promoting and helping to ensure an environment of academic integrity. As such, each student is expected to complete all academic course work in accordance to the standards set forth by the faculty and in compliance with the university’s Code of Conduct.”

Accommodations for Students with Disabilities

It is your responsibility to notify me if you need extra time or special accommodations to take the exams. If you have a documented learning disability, and will be requesting academic accommodation

for this class, please contact Dean Cheryl Ashcroft in the Office of the Dean of Students, UC 212, 610-758-4152.

Course Outline

This course outline is tentative and is subject to change depending on the material covered during scheduled lectures. Lecture dates are listed in parentheses; material, readings and assignments for the week are under the bullet points. If you have serious conflicts with any of the exam deadlines, please email me as soon as possible.

Week 1 (8/29 and 8/31) – 8/29 No Class (away for a meeting)

- Intro (Chapter 1) & Chapter 2 (Supply and Demand)
- Readings: Chapter 1, 2.1, 2.2

Week 2 (9/5 and 9/7)

- Chapter 2 (Supply and Demand)
- Readings: Calculus Notes (Coursesite), 2.3, 2.4
- HW 1 (assigned 9/7, due 9/21)

Week 3 (9/12 and 9/14)

- Chapter 2 (Supply and Demand)
- Readings: 2.5, 2.6, 2.7

Week 4 (9/19 and 9/21)

- Chapter 3 (A Consumer's Constrained Choice)
- Readings: 3.1, 3.2, 3.3
- HW 2 (assigned 9/21, due 10/5)

Week 5 (9/26 and 9/28)

- Chapter 3 (A Consumer's Constrained Choice) & Chapter 4 (Demand)
- Readings: 3.4, 4.1

Week 6 (10/3 and 10/5)

- Chapter 4 (Demand)
- Readings: 4.2, 4.3 (skip compensated demand curves)
- HW 3 (assigned 10/5, due 10/19)
- **Quiz #1 (10/3)**

Week 7 (10/10 and 10/12)

- Chapter 6 (Firms and Production)

- Readings: 6.1, 6.2, 6.3, 6.4, 6.5

Week 8 (10/17 and 10/19) – 10/17 Pacing Break

- Chapter 7 (Costs)
- Readings: 7.1, 7.2, 7.3, 7.4
- HW 4 (assigned 10/19, due 11/2)

Week 9 (10/24 and 10/26)

- Chapter 8 (Competitive Firms and Markets)
- Readings: 8.1, 8.2, 8.3, 8.4

Week 10 (10/31 and 11/2)

- Chapter 8 (Competitive Firms and Markets) & Chapter 9 (Properties and Applications of the Competitive Model)
- Readings: 9.1, 9.3, 9.4, 9.5
- HW 5 (assigned 11/2, due 11/16)

Week 11 (11/7 and 11/9)

- Chapter 11 (Monopoly)
- Readings: 11.1, 11.2, 11.4
- **Quiz #2 (11/7)**

Week 12 (11/14 and 11/16)

- Chapter 11 (Monopoly) & Chapter 12 (Pricing and Advertising)
- Readings: 11.5, 12.1, 12.2, 12.7

Week 13 (11/21 and 11/23) – 11/23 Thanksgiving Break

- Chapter 14 (Oligopoly & Monopolistic Competition)
- Readings: 14.1, 14.2, 14.3
- HW 6 (assigned 11/21, due 12/7)

Week 14 (11/28 and 11/30)

- Chapter 14 (Oligopoly & Monopolistic Competition)
- Readings: 14.4, 14.5

Week 15 (12/5 and 12/7)

- Chapter 13 (Game Theory)
- Readings 13.1, 13.2