

Syllabus
Economics 225A – Microeconomics
Tuesday/Thursday 8:50 – 10:00 AM

Dr. Peter von Allmen
Office: Comenius 216

Spring 2009
Phone: 610-861-1413
mepva01@moravian.edu

Office Hours:

Monday/Wednesday: 10:30 – 11:30AM; 1 – 2PM
Others by appointment.

GOAL

The purpose of this course is to become familiar with the economic theories which describe the behavior of both firms and consumers. We will examine how and why consumers make the choices that they do, and what it means for firms to maximize profits and minimize costs. The efficiency of the pricing system under various market conditions will also be discussed in detail.

Specific expected outcomes include:

- The ability to evaluate economic decision making by individuals and firms using the economic models introduced in the class.
- The ability to solve models quantitatively and show solutions using graphs.
- To understand how assumptions about models and changes in those assumptions impact outcomes.
- Gain an understanding of how to balance the benefits of market outcomes with issues of market failure; and the role of government in making optimal allocation choices.

TEXTS

Microeconomics, 7th edition
by Robert S. Pindyck and Daniel L. Rubinfeld

Study Guide to Accompany Microeconomics is optional.

GRADING

Your grade will be determined by the combination of 5 homework quizzes, three exams and a final exam. Class participation and attendance are expected. The intent of the quizzes is to create additional incentive to read the chapters and apply the material **BEFORE** you must do so in an exam setting. You should note that this course is quantitative in nature, making satisfactory exam performance heavily dependent on practicing of the methods and techniques used in problem solving. Make-up exams are not normally given. **Students failing to take an exam on the scheduled date without prior permission of the instructor will receive a grade of zero on that exam.**

Graded work will be weighted as follows:

| | |
|----------------------------|-----|
| 5 Homework/quizzes 4% each | 20% |
| EXAMS 1-3 20% each | 60% |
| FINAL EXAM | 20% |

Academic Honesty: I endorse and strictly enforce the College's academic honesty policy. Cheating violations of any kind will result in failure for the semester, no exceptions. The academic honesty policy can be found in the college handbook. Make sure you have read it and understand it.

CELL PHONE USE: CELL PHONE USE IS NOT PERMITTED IN CLASS. THIS INCLUDES TALKING, TEXTING, LISTENING TO MESSAGES, AND USE AS A CALCULATOR. PHONES SHOULD BE OFF AND PUT AWAY DURING CLASS.

Schedule (to be adjusted as needed)

| <u>DATE</u> | <u>TOPIC</u> | <u>READING</u> |
|-------------|--|----------------|
| 1/20 | Introduction/supply and demand review | Ch. 1 |
| 1/22 | Demand and Supply review/Calc. review; In-class 1b | Ch. 2 |
| 1/27 | In Class Problem Set #1 | |
| 1/29 | HW quiz #1 (ch. 2); Consumer Behavior | Ch. 3 |
| 2/3 | Consumer Behavior (Skip 3.6) | Ch. 3 |
| 2/5 | HW quiz #2 (ch. 3); Individual Demand | Ch. 4 |
| 2/10 | Market Demand/elasticity | Ch. 4 |
| 2/12 | Ch4 hw review/Est. of Dem. Curves/In-class #2 | Ch. 4 |
| 2/17 | Exam #1 (Chapters 1-4) | |
| 2/19 | Production | Ch. 6 |
| 2/24 | Production | Ch. 6 |
| 2/26 | HW quiz #3 (ch. 6); Cost | Ch. 7 |

March 3 -5 Spring Break – no classes

| | | |
|------|---|-----------|
| 3/10 | Cost | Ch. 7 |
| 3/12 | Cost | |
| 3/17 | Ch 7 hw review/In-class #3 | |
| 3/19 | Exam #2 (Chapters 6 -7) | |
| 3/24 | Profit Maximization/Perfect Competition | Ch. 8 |
| 3/26 | Profit Maximization/Perfect Competition | Ch. 8 |
| 3/31 | Perfect competition/Analysis of compet. mkts. | Ch. 8 - 9 |
| 4/2 | HW quiz #4 (Ch. 8); Analysis of Competitive mkts. | Ch. 9 |
| 4/7 | Monopoly/Monopsony | Ch. 10 |
| 4/9 | Monopoly | Ch. 10 |
| 4/14 | Monopoly | Ch. 10 |
| 4/16 | Ch 10. HW review/In Class #4 | |
| 4/21 | Exam #3 (Chapters 8 – 10) | |
| 4/23 | Pricing Strategy | Ch. 11 |
| 4/28 | HW quiz #5 (Ch. 11) Pricing Strategy | Ch. 11 |
| 4/30 | Monopolistic Competition Oligopoly 423-430/game theory | Ch. 12-13 |

FINAL EXAM: Thursday, May 7 at 1:30PM. Be sure that you do not plan travel or other commitments during this time! Also note that travel immediately before or after breaks is not excused.