ECON 630: Microeconomic Theory

Fall 2014
TTh 5:00 - 6:15pm
AH-3130

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Course Materials

- blackboard.sdsu.edu

Course Description

This course is an introduction to the formal mathematical modeling of the behavior of economic agents. We will focus on developing a framework to model the behavior of individuals and firms, exploring how they respond to changes in the opportunities and constraints that they face and how they interact in markets. While many of the topics covered in this class will be familiar from an introductory microeconomics class, we develop a deeper and more systematic understanding of the material, as well as a more diverse set of quantitative tools to address economic questions. These are the basic tools that are used in nearly all fields of economics, including household economics, labor economics, production theory, international economics, natural resource economics, public finance, and capital markets (among others). We will use these tools to ask questions and solve qualitative and quantitative problems that allow us to think analytically about events that take place in the real world. We will systematically apply a set of propositions or theories that will allow us to state refutable hypotheses and to predict likely outcomes from changes in the economy.

Your performance in the class will be measured with weekly problem sets and three exams. You are welcome to work together in completing problem sets however each of you must turn in your own copy. Furthermore, it is absolutely critical that you attempt to work through problems on your own first. You might have taken classes before in which homework is a rather arbitrary means of giving you a grade – that is not the case in this class. The modeling tools we will be developing in this course require a great deal of practice to master; additionally, the problem sets are typically
extensions and modifications to the models we will discuss in lecture. As such, they are not just practice; they also introduce new and relevant material.

If you are a student with a disability and believe you will need accommodations for this class, it is your responsibility to contact Student Disability Services at (619) 594-6473. To avoid any delay in the receipt of your accommodations, you should contact Student Disability Services as soon as possible. Please note that accommodations are not retroactive, and that accommodations based upon disability cannot be provided until you have presented your instructor with an accommodation letter from Student Disability Services. Your cooperation is appreciated.

Please note that cheating of any form (which includes plagiarism) will not be tolerated. Evidence of cheating by a student will result in an automatic “F” as that student’s grade. University policy mandates that any evidence of academic misconduct be promptly reported to the Judicial Procedures Office – I have no discretion in this matter; I am obligated to report any cheating or plagiarism to the University.

**Grading**

- Problem Sets (20%): Assignments are due every Thursday at 5:00pm. Assignments must be hard copies (no email submissions), neat, and easily readable. No late assignments will be accepted, however your lowest score will be dropped.
- Midterm Exam 1 (25%): The first exam is tentatively scheduled for September 25th. No make up exams will be permitted.
- Midterm Exam 2 (25%): The second exam is tentatively scheduled for October 30th. No make up exams will be permitted.
- Final Exam (30%): The final exam will be cumulative but will emphasize material from after the second exam. No make up exams will be permitted.

**Course Schedule**

Below is a (very) tentative schedule for the course. It will almost certainly change as we progress through the course. Refer to the class blackboard site for a more specific schedule.

- Week 1: Overview, modeling tools (Ch. 1-2)
- Weeks 2-5: Consumer Choice and Demand (Ch. 3-6, Ch. 16-17)
- Week 6-7: Uncertainty (Ch. 7-8)
- Weeks 8-9: Production and Supply (Ch. 9-11)
- Weeks 10-11: Competitive Markets (Ch. 12-13, Ch. 16-17)
- Weeks 12-13: Market Power (Ch. 14-15, Ch. 16)
- Weeks 14-15: Market Failures (Ch. 18-19)