

Microeconomic Theory Syllabus

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Boston College
Office: Maloney Hall 385D

ECON2201.06 Fall 2021
Mon, Wed 4:30-5:45pm
Gasson Hall 310

Contact Information

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Office Hours: By appointment. Online, you need to book a slot at this [address](#).

Then, follow the office hour Zoom link listed. The Zoom link can also be found on the main course Canvas page and [here](#).

Course format: In class with online access for students who must be absent

This class is scheduled to be in class so you should be present if you have no medical condition.

There will be online access or alternative make-up opportunities for **a short period of time** during the semester if a student contracts a temporary illness, or if a student has been instructed by University Health Services to isolate due to a positive COVID-19 test result.

Students who request online access for **the entirety of the fall semester** due to medical or other reasons should provide a letter from [Disability Services Office](#).

Students who can't be in class need to let me know, and recordings of the lectures will be made available on the Canvas page. Students are expected to follow appropriate university policies. These recordings are the intellectual property of the faculty and they may not be shared or reproduced without the explicit, written consent of the faculty member. Further, students may not share these recordings with **anyone** or upload them to any other online environment.

Respect the Eagles Care Pledge

At this time and subject to change, fully vaccinated faculty, staff, and students are not required to wear masks on campus, but should feel free to do so if they prefer, including in offices and classrooms. Those with approved University COVID-19 vaccination exemptions must wear masks outdoors and while in all campus buildings.

Introduction

Course Description: This course builds on Principles of Economics and covers topics such as consumer theory and producer theory in depth. The aim of the course is to provide you with a solid background of the tools of microeconomic analysis.

Dropping the Course: The last date to drop a course online is September 8th. The last date to declare a course pass/fail online is also September 8th. The last date to drop a course in the Associate Dean's office is October 1st. The last date for official withdrawal from a course or the university is November 29th.

Material

Slides: Lecture slides are prepared by topic and will be posted ahead of the class on Canvas.

Mandatory Textbook: The required textbook needs to be purchased from the [bookstore](#). All three options from the BC bookstore listed below will give you access to **Smartwork5** that is necessary for your homework/problem sets.

Intermediate Microeconomics with Calculus Acc Card (ISBN: 9780393689976)

This is a printed registration code for the Ebook + Smartwork5.

Intermediate Microeconomics with Calculus: Modern Approach Media Update (ISBN: 9780393690002)

This contains the loose-leaf textbook, which will come bundled with a printed registration code for the Ebook + Smartwork5. Keep an eye out for the bound-in code within the loose-leaf textbook so you don't accidentally throw it away.

Smartwork: Once you have your registration code, follow [these instructions](#) and **register for your material** using your **BC email address** at this [address](#). **The Student Set ID** you need to add yourself to is **493434**. Any students who can't purchase the book in time can register for the **free 3-week trial** while they wait for the book. **Students should wait to register for the free trial on September 13th** in order to have the trial extend to October. The instructions to register for the free trial can be found in the section "How do I register for my Norton digital product?" under point 3.

Useful Material: The Economics department has created a Canvas [page](#) that contains useful review material for this class. This includes review videos and handouts for [derivatives](#) and various concepts used in [micro theory](#). The CORE Econ website also offers [calculus explainers](#).

Communication: All announcements will be made via Canvas. As a Boston College student, you should familiarize yourself with this important tool. For more information and training resources for using Canvas, click [here](#). Students are always welcome to my office hours. Outside of my office hours, students could contact me via email. I try to answer emails as soon as possible, but please allow 24 hours for me to respond.

Grades

Smartwork Problem sets: There will be 5 problem sets on Smartwork5. Your 4 best problem sets will be worth 9% of your final grade and your worst problem set will be worth 4% for a total of 40% of your final grade. You will receive a total 2 attempts at answering each question on the assignment correctly, without any penalty. The links to the homework assignments will expire, and no longer be available to view and/or complete, on the due date at 11:59 pm. You can also send me an email (only two emails during the semester) if you make an error in some question and need me to update score on a specific question.

Midterms and Final Exam: There will be 2 midterms and 1 final exam. Your 2 best exams will be worth 25% of your final grade each and your worst exam will be worth 10% for a total of 60% of your final grade. The format will essay/math questions.

Dates for Exams: The **tentative** dates for examinations are as follows:

<i>Exam</i>	<i>Date</i>	<i>Topics Covered</i>
Midterm 1	Oct 13	Unit 1
Midterm 2	Nov 17	Unit 2
Final	TBA	Unit 3

Attendance: Attendance will not be part of the grade. However, participating in class is an important component of learning. Students are expected to attend classes regularly, take tests, and submit papers and other work at the times specified.

Extra Credit Points: You can earn some extra credit points by actively participating in the class. In addition, there will be practice quizzes and few discussion boards on Canvas during the semester. These would get added to your total score.

Grade Appeals: If you believe that a mistake has been made in the grading of one of the midterm exams, you must reach out within a week of the grades being published on Canvas. No changes will be made thereafter.

Accommodations

Mental Health: If you are feeling stressed, having challenges managing your time, sleep, or making choices around alcohol and food, the Office of Health Promotion offers Wellness Coaching appointments to support your health and wellbeing. Please reach out by going to [OHP website](#) to schedule a virtual meeting with a staff member, Wellness Coach, and for health and wellness information. Be Well. (provided by the [Office of Health Promotion](#)). If you are a person with mental health conditions that require accommodations, please email me with a list of your triggers or any other accommodation you may require. Anonymous emails are acceptable and will be treated as seriously as author-signed emails.

Non-binary Students: If you are a non-binary person, please send me an email with your preferred pronouns and any other accommodations you may require. You may also discuss them in person after class or during office hours.

Special Needs and Disabilities: If you have a disability and will be requesting accommodations for this course, please register with either Dr. Kathy Duggan (dugganka@bc.edu), Associate Director, Connors Family Learning Center (learning disabilities or AHD) or Dean Rory Stein, (rory.stein@bc.edu), Assistant Dean for students with disabilities, (all other disabilities).

Student Athletes: If you are a student athlete, please provide me with contact details for your academic counselors and coaches as soon as possible. If you miss any classes on account of being out of town, let me know so that we can schedule additional office hours to get you caught up with the rest of the class.

Conduct

Classroom Conduct: Students are expected to behave in a mature and professional manner, and treat their fellow students with respect according to BC's code of [conduct](#). Disruptive or disrespectful behavior will result in a verbal warning for a first offense, and a written warning for a second offense. Should such behavior continue, they will be dropped from the class.

Academic Integrity: Academic dishonesty is not tolerated in any form. Please see the university's policies and procedures regarding academic [integrity](#).

Course Outline

Introduction

1. Review: demand and supply, equilibrium, positive and normative analysis, efficiency and equity

Unit I: Consumer Theory

2. *A Theory of the Consumer*: budget constraints, preferences, utility, choice, demand, Slutsky decomposition, individual demand, market demand
3. *Applications and Extensions of Consumer Theory*: leisure- consumption choices

Unit II: Producer Theory

5. *Theory of the Producer*: technology, profit maximization and cost minimization, cost, cost curves, supply curve, market supply, long-run and short run cost curves, long run and short run supply curve, labor demand and capital demand
6. *Monopoly*: marginal revenue and marginal cost, deadweight loss, monopsony, price discrimination
7. *Oligopoly*: Cournot duopoly, best response curves, iso-profit curves, Cournot-Nash equilibrium, Stackelberg equilibrium, number of firms, price competition

Unit III: Topics in Microeconomics

8. *Game Theory*
9. *Risk and Uncertainty*: risk aversion, von Neumann utility and expected utility, insurance markets, adverse selection, signaling
10. *Externalities*: Pigouvian tax, surplus analysis, Coase theorem
11. *Public Goods*

Tentative Schedule

Date		Topic	Chapters
Aug- 30		Intro+ Review	Econ Dept. Canvas Page
Sep- 1		Consumer Theory-Budget	2. Budget Constraints
Sep- 6		No Class Monday	
Sep- 8		Consumer Theory-Preferences	3. Preferences
Sep- 13		Consumer Theory-Utility	4. Utility
Sep- 15		Consumer Theory-Choice	5. Choice
Sep- 20	PS1	Mathematical Interlude	
Sep- 22		Mathematical Interlude	
Sep- 27		Consumer Theory	6. Demand
Sep- 29		Applications of Consumer Theory	8. Slutsky Equation
Oct- 4		Applications of Consumer Theory	14. Consumer Surplus
Oct- 6		Applications of Consumer Theory	15. Market Demand
Oct- 11	PS2	Class on Tuesday instead of Monday	
Oct- 12		Labor Market	
Oct- 13	Midterm 1		Unit 1
Oct- 18		Technology	19. Technology 20. Profit Maximization
Oct- 20		Profit and cost minimization	21. Cost Minimization
Oct- 25		Cost minimization	21. Cost Minimization
Oct- 27		Cost curves	22. Cost Curves
Nov- 1	PS3	Supply	23. Firm Supply 24. Industry Supply
Nov- 3		Monopoly	25. Monopoly
Nov- 8		Monopoly	26. Monopoly Behavior
Nov- 10		Oligopoly	28. Oligopoly
Nov- 15	PS4	Oligopoly	28. Oligopoly
Nov- 17	Midterm 2		Unit 2
Nov- 22		Game Theory	29. Game Theory
Nov- 24		No Class Wednesday	
Nov- 29		Game Theory	30. Applications of Game Theory
Dec- 1		Risk & Uncertainty	12. Uncertainty 38. Asymmetric Information
Dec- 6	PS5	Externalities & Public goods	35. Externalities 37. Public Goods
Dec- 8		TBA	
		Final exam	Unit 3