Syllabus
Economics 225A – Microeconomics
Monday/Wednesday/Friday
10:20 – 11:30

Dr. Peter von Allmen               Spring 2010
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Office Hours:
Monday/Wednesday: 12:30 – 1:00PM
Monday/Wednesday: 2:30 – 3:30PM
Thursday 1:00 – 3:00PM
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.
• Understanding the importance of assumptions about models and understand how
  changes in those assumptions impact outcomes.
• Gaining 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.

Please do not bring food to class.

Drinks (coffee, water, etc. are fine).
### Schedule (to be adjusted as needed)

<table>
<thead>
<tr>
<th>DATE</th>
<th>TOPIC</th>
<th>READING</th>
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<tbody>
<tr>
<td>M-1/18</td>
<td>Introduction/supply and demand review</td>
<td>Ch. 1</td>
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<tr>
<td>W-1/20</td>
<td>Demand and Supply review/Calc. review; In-class 1b</td>
<td>Ch. 2</td>
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<td>F- 1/22</td>
<td>In Class Problem Set #1</td>
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<td>M- 1/25</td>
<td><strong>HW quiz #1 (ch. 2);</strong> Consumer Behavior</td>
<td>Ch. 3</td>
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<tr>
<td>W-1/27</td>
<td>Consumer Behavior (Skip 3.6)</td>
<td>Ch. 3</td>
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<td>F- 1/29</td>
<td><strong>HW quiz #2 (ch. 3);</strong> Individual Demand</td>
<td>Ch. 4</td>
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<tr>
<td>M-2/1</td>
<td>Market Demand/elasticity</td>
<td>Ch. 4</td>
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<tr>
<td>W-2/3</td>
<td>Ch4 hw review/Est. of Dem. Curves/In-class #2</td>
<td>Ch. 4</td>
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<tr>
<td>F-2/5</td>
<td>Uncertainty and alternatives to the neoclassical model</td>
<td>Ch 5</td>
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<tr>
<td>M-2/8</td>
<td>Uncertainty and alternatives to the neoclassical model</td>
<td>Ch 5</td>
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<td>W-2/10</td>
<td><strong>Exam #1 (Chapters 1-4)</strong></td>
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<td>F-2/12</td>
<td>No Class</td>
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<tr>
<td>M- 2/15</td>
<td>Production</td>
<td>Ch. 6</td>
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<td>W-2/17</td>
<td>Production</td>
<td>Ch. 6</td>
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<td>F-2/19</td>
<td><strong>HW quiz #3 (ch. 6);</strong> Cost</td>
<td>Ch. 7</td>
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<td>M-2/22</td>
<td>Cost</td>
<td>Ch. 7</td>
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<td>W-2/24</td>
<td>Cost</td>
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<td>F-2/26</td>
<td>Ch 7 hw review/In-class #3</td>
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<td>M-3/1</td>
<td><strong>Exam #2 (Chapters 6 -7)</strong></td>
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<td>W-3/3</td>
<td>Profit Maximization/Perfect Competition</td>
<td>Ch. 8</td>
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<td>F-3/5</td>
<td>Profit maximization/Perfect Competition</td>
<td>Ch. 8</td>
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**March 8–12**  No Class: Spring Break
M-3/15 Profit Maximization/Perfect Competition Ch. 8
W-3/17 Perfect competition/Analysis of compet. mkts. Ch. 8 - 9
F-3/19 Analysis of Competitive mkts. Ch. 9
M-3/22 **HW quiz #4 (Ch. 8); monopoly** Ch. 10
W-3/24 Monopoly/Monopsony Ch. 10
F-3/26 Monopoly Ch. 10
M-3/29 Ch 10. HW review/In Class #4
W-3/31 **Exam #3 (Chapters 8 – 10)**

April 2–5 No Class: Easter Break

W-4/7 Pricing Strategy Ch. 11
F-4/9 No Class

M-4/12 **HW quiz #5 (Ch. 11) Pricing Strategy** Ch. 11
W-4/14 Monopolistic Competition Ch. 12
M-4/19 Oligopoly 423-430/game theory Ch. 13
W-4/21 Oligopoly/game theory continued Ch. 13
F-4/23 Factor markets (14) or investment, time and Capital markets (15)
M-4/26 Factor markets (14) or investment, time and Capital markets (15)
W-4/28 Review
F-4/30 No class/weather make-up

**FINAL EXAM: Thursday May 6th, 8:30AM.** 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.