

ECON 001: PRINCIPLES OF MICROECONOMICS

Summer 2017 : Jul 10 - Aug 11

Instructor: Gaurav Bagwe	Time: MTWR, 1PM-3PM
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Objectives: The primary goal of this course is to introduce and help students develop a consistent way of thinking about the behaviour of and interaction between economic agents such as consumers, workers, firms. In doing so, we will encounter concepts such as price mechanisms, supply and demand, market equilibrium, optimizing economic behavior, costs and revenue, market structures, factor markets and income distributions. The latter portion of the class will touch on strategic interactions (game theory), risk and uncertainty, informational asymmetries, externalities and public goods. Throughout the course, there will be a special emphasis on using anecdotes and vignettes to highlight how tools of microeconomics can be used to think through everyday economic and social interactions.

Course Page: <http://canvas.georgetown.edu>

Office Hours: After class, or by appointment.

Textbook: Pindyck, Robert S., and Daniel L. Rubinfeld. *Microeconomics*. Boston: Pearson Education, 8th Edition. ISBN-13: 9780132857123

Optional References: You are *not* required to purchase these books. I will put up specific references to sections as needed and upload all the relevant material to the Canvas page.

- Mankiw, N. Gregory. *Principles of Microeconomics*. Mason, OH: South-Western Cengage Learning, 2012. Print.
- Krugman, Paul R., and Robin Wells. *Microeconomics*. New York, N.Y: Worth, 2013. Print.

Prerequisites: The class has no official prerequisites. The mathematics we will use in this course is relatively basic. However, if you already know how to take derivatives and solve a system of equations, it will be easier for you to grasp certain ideas. I shall cover additional math concepts in class as the need arises.

Evaluation:

- **Homework (30%):** A total of four homeworks will be assigned. Your lowest scoring homework will be dropped and late submissions will not receive a score. You can expect the homeworks to be challenging; they will test the depth of your understanding of concepts covered in class. You are encouraged to work in small groups but each student is required to turn in their own homework.
- **Midterm (30%):** The midterm exam will be held on Tuesday, July 25th 2017. The exam will be closed-book.
- **Final (40%):** The final exam will be held on Thursday, August 10th 2017. The exam will be closed-book and will test your understanding of material covered through the entire course.

All exams are mandatory unless there is a written excuse signed by an Academic Dean. In case you have a valid reason for not being able to take either exam on the dates noted above, you must notify me before Thursday, July 13th.

Grading Policy: Letter grades will be assigned at the end of the course. Grades might be assigned on a curve, if necessary. The department guidelines prescribe the following grade distribution for the class:

Grade Category	A	B	C
Percent of students	40	45	15

Lectures: Lectures will be based on a combination of materials from the textbook, reference books, academic papers, often supplemented by my own notes and slides. Therefore, attendance is *highly encouraged* but not mandatory. Lecture slides will be made available on the course's Canvas page.

Academic Honesty: Suspected violations of the Georgetown Honor Code (www.georgetown.edu/honor) will be reported to the Honor Council. Students found guilty will receive an F grade for the course.

Tentative Course Outline: I currently plan on covering the following material. This is subject to revision.

Week	Topics	Chapter Reference
Week 1 (7/10 - 7/13)	Preliminaries Supply and Demand Consumer Behavior	1 2 3
Week 2 (7/17 - 7/20)	Individual and Market Demand Uncertainty and Consumer Behavior Production	4 5 6
Week 3 (7/24 - 7/27)	The Cost of Production Profit Maximization & Competitive Supply	7 8
Week 4 (7/31 - 8/3)	Analysis of Competitive Markets Market Power Monopolistic Competition and Oligopoly	9 10 12
Week 5 (8/7 - 8/10)	Game Theory Market Failure Review	13 17, 18