

ECON 101: INTERMEDIATE MICROECONOMICS

Summer 2019: Jun 3 - Jul 5

Instructor: Gaurav Bagwe	Time: MTWR, 1PM-3PM
Email: grb40@georgetown.edu	Place: ICC 102

Objectives: The aim of this course is to teach you the basic tools of microeconomic analysis. The tools can be broadly classified into two categories:

- **Models of decision-making:** We will start by examining the decisions of individual consumers and firms e.g. how consumers decide what to buy and how much to save as well as how firms decide how much to produce, where to locate and, so on. We will study how their decision-making changes in the presence of uncertainty.
- **Models of equilibrium:** After having studied decision-making at the individual and firm levels, we will examine what happens when these entities interact in the context of a market. For example, in an economy with many consumers and firms, we will study how wages and prices are determined, and how goods are allocated. In addition to this standard equilibrium analysis, we will also study outcomes when agents behave strategically using tools from game theory.

Finally, we will take up topics in information economics, externalities, and public goods that relax some of the strong assumptions made in the standard models to reflect real-world realities.

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

Office Hours: After class or by appointment.

References: I will be loosely following *Intermediate Microeconomics, 9th edition*, by Hal Varian. You are not required to buy the book. The course should be self-contained and everything you need will be presented in class and available on the class website. I do not intend to assign any homework questions from the book and if I do, I will provide them to you directly. That being said, the book is a useful resource. You may also find some of these other books useful: *Intermediate Microeconomics and Its Applications* by Nicholson and Snyder; *Microeconomics* by Perloff; *Microeconomics* by Pindyck and Rubinfeld.

Prerequisites: Students should have completed a course in *Principles of Microeconomics* and *Calculus*. I will review key concepts from differential calculus on the first day of class since we will be using these throughout.

Evaluation:

- **Homework (30%):** A total of five homeworks will be assigned and your lowest scoring homework will be dropped. 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%):** Tentative date: June 17th
- **Final (40%):** Tentative date: July 3rd

All exams are mandatory unless there is a written excuse signed by an Academic Dean.

Grading Policy: Letter grades will be assigned at the end of the course. Grades may be assigned on a curve, if necessary. 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, and academic papers and will often be supplemented by my own notes and slides. Therefore, attendance is highly encouraged. 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.

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

Week	Topics
Week 1 (6/3 - 6/6)	Preliminaries & Math Review Consumer Theory
Week 2 (6/10 - 6/13)	Uncertainty and Financial Assets Cost of Production Theory of the Firm
Week 3 (6/17 - 6/20)	Markets General Equilibrium
Week 4 (6/24 - 6/27)	Game Theory Externalities Public Goods
Week 5 (7/1 - 7/3)	Asymmetric Information Review