

INTRODUCTION TO MICROECONOMICS**ECON 155 (SPRING 2005)**

Lecture: T, Th 9:30-10:45, (Warner Hemicycle)

Office Hours: T, W & Th 11-12

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OVERVIEW

Microeconomics is the study of the building blocks of the economy. These building blocks include markets, individual consumers, firms, and local communities. In this course we will examine how and why markets work (or don't work), how consumers decide what to buy, how firms decide what and how much to produce, and when the government must step in to assure that economic activity benefits everyone.

The course will be split into lectures and labs. Lectures mostly happen on Tuesdays and the labs on Thursdays. What happens in lecture is obvious, but the lab needs to be explained. We will use our lab time to conduct economic experiments. In these experiments you, as the student, will take part as a participant. To motivate you to take the experiments seriously, there will typically be some **money** at stake. These experiments will be useful because they will put you in a decision making environment similar to those we will theorize about in class. Hence, you will have hands-on experience in microeconomics.

The book we will use for the course is available at the bookstore. It is: *Microeconomics (18th ed.)* by Paul Samuelson and William Nordhaus.

Your performance in the class will depend on four things: two Midterms (30% each), a Final Exam (30%), and Homeworks (10%). The final exam will **not** be cumulative so you will only need to study those topics we cover after the midterm.

Everything you do for this course will be graded on a 100 point scale. Technically, I do **not** grade on a curve. This is what I do. Everyone gets a final score based on the percentages and their performance on the grading components listed above. I simply order scores and look for "natural" break points between the clusters. These break points are cutoffs for grades. Hence, I do not have a fixed portion of As or Fs to assign, but a good measure of how well you are doing will be the class average score on each assignment (i.e. if you are well above the average, you are doing great; if you are far below, you need to do some work).

On the back of this sheet you will find a schedule of topics (book chapters) for the course.

SCHEDULE OF TOPICS					
Week	Dates (approx.)	Topic(s)	Book Chapter(s)	Lab #	Lab Activity
1	2/8, 2/10	Economic Fundamentals	1	-	-
2	2/15, 2/17	Government vs. Market	2	1	Coase Bargaining
3	2/22, 2/24	Supply & Demand	3	2	Bilateral. vs. ODA
4	3/1, 3/3	Applied Supply & Demand	4	-	-
5	3/7	<i>First Midterm Exam (Monday in the evening)</i>			
5	3/8, 3/10	Production	6	3	Production
6	3/15, 3/17	Cost	7	-	-
7	3/29, 3/31	Perfect Competition	8	-	-
8	4/5, 4/7	Monopoly	9	4	Oligopoly
9	4/11	<i>Second Midterm Exam (Monday in the evening)</i>			
9	4/12, 4/14	Information	11	5	Selection & Hazard
10	4/19, 4/21	Game Theory	11	6	Game Theory
11	4/26, 4/28	The Labor Market	13	7	Efficiency Wages
12	5/3, 5/5	Efficiency vs. Equality	19	8	Rawls
13		<i>Final Exam during Exam Week</i>			