

NORTHWESTERN UNIVERSITY
ECONOMICS 310-1—MICROECONOMIC THEORY

Professor Schulz
eschulz@northwestern.edu

KGH 3193
491-8204

Important: It is my assumption, as well as that of Northwestern University, that you will attend every class and section meeting. The following is tentative. You are responsible for any material covered and for any changes or additions to what follows that may be made. Should you for whatever reason miss a class, it is your responsibility to get the full notes from someone in the class and to then ask during office hours if anything is unclear after studying them. Please note that the specifics of this course syllabus are subject to change in the case of unforeseen circumstances. Instructors will notify students of any changes as soon as possible. Students will be responsible for abiding by the changes.

Purpose: This course is concerned with the analysis of consumer and producer behavior in market economies and with the nature of equilibria in competitive and monopolistic markets. It deals with the foundations of the market mechanism and the analysis of welfare. Students should have completed (or at least be familiar with) the material covered in Economics 202 (Introduction to Microeconomics) and, at the minimum, one quarter of calculus. Calculus will be used in a fundamental way in the class.

Office Hours: I'll be available on Mondays and Wednesdays in Harris 107 to answer any questions that you have from 5:30-6:30 PM, starting on Wednesday, January 10. I'll also be available online on Sundays, typically for three hours in the evening. The exact times of the Sunday hours will be announced each week. The TAs will announce their office hours during the first section meeting which will be held during the second week of classes.

Text: The required text for the course is *Microeconomics and Behavior* by Robert Frank, 10th ed., McGraw Hill, ISBN13: 9781259394034. One can find this really pretty reasonably priced at online book sellers. The material covered in class will generally correspond to the material assigned in the text, although the lectures may present the material from a different point of view. Lectures should be viewed as complements to, rather than as substitutes for, the readings.

Method of Evaluation: Course grades will be based on two midterm exams, each worth 1/3 of the possible points, and a cumulative final exam also worth 1/3. There will also be some problem sets. Some examination questions may be similar to problems on the problem sets. Class participation will be considered in borderline cases.

Sections: Attendance at a weekly section is expected. Additional details will be announced in class. The sections will be used to discuss homework problems that will expand on ideas presented in lecture or in the text.

Examination Policies and Dates:

Exam 1	Wednesday	January 31
Exam 2	Wednesday	February 21
Final Exam	Thursday	March 14, 12-2 PM

No make-ups for the midterms will be given. Excuses for absences from the exams will be accepted only in real cases of illness (with verification from the student health center or a doctor's excuse) or emergency. In the case of an excused absence due to illness, I will determine the final grade by increasing the weights given to the midterm taken and the final. If an absence from a midterm is unexcused, the student is subject to receiving a grade of zero for that exam. Since Northwestern allows no exceptions to the published final exam schedule, the final exam will be given only at the appointed hour.

The class re-grade policy will be posted on Canvas later in the quarter. Happily, it's rare that a Northwestern student chooses to cheat but I am required to report any evidence of cheating to the Dean's office immediately with no discussion with the student. No cheating is allowed in any way in this class.

Northwestern University owns a copyright on all class material, including the lectures. No recording of classes is allowed nor is posting of class material (e.g., homework sets) online allowed.

Due to comments from students regarding the negative externalities involved, the following policies hold: No reading of newspapers or chatting during class. Cell phones are to be put away (in your pocket, purse, or bookbag) and have their ringers turned off for the entire class. If you are unable to resist the impulse to check messages and text, you are welcome to very quietly leave the room to do so. No laptop/notebook computers allowed. Violation of this policy is subject to a grade penalty with no warning.

Course Outline: What follows is a **rough** outline of the material we will cover. I'll post a reading list at the end of each week showing what we covered and where we'll head next. Changes may be made depending on time constraints.

Week of	Topics	Chapters
1-3	Intro; Really Quick Micro Review	1, 2
1-8	Preferences, Utility, Consumer Choice	3, 4
1-15	Income & Sub Effects, Applications	4, 5
1-22	Applications, Consumer Surplus	5
1-29	SR Production, LR Production	8
2-5	SR Costs, LR Costs	9
2-12	Perfect Competition, SR Profit Max.	10
2-19	LR Supply, Applications, Monopoly	10
2-26	Monopoly, Monopsony	11, 14
3-4	Behavioral Economics, Odds'n'Ends	7

No class on Monday, January 15—Dr. Martin Luther King, Jr. Day