

COURSE SYLLABUS

ECNS 204: Microeconomics (Fall 2020)

Class Schedule: Online

Professor: D. Mark Anderson

Email: dwight.anderson@montana.edu

Office Hours: Thursdays, 3-4:30pm (via WebEx)

Course webpage: www.dmarkanderson.com/Courses

TA: Alec Truax

TA email: alectruax@gmail.com

TA Office Hours: Tuesdays, 2-3pm (via WebEx)

Course prerequisites: ECNS 101 (Economic Way of Thinking)

Required textbook: Principles of Microeconomics (6th edition) by Silberberg and Ellis (cheap versions available online)

Optional textbook: Price Theory and Applications (any edition) by Landsburg (cheap versions available online)

Grades:

Weekly assignments (i.e., problem sets, writing assignments, and quizzes): 25%

Midterm: 35%

-Take-home-style exam (Oct. 8th)

Final Exam: 40%

-Take-home-style exam (Nov. 19th)

Weekly schedule (Please note that this schedule is subject to change and will vary depending on the rate at which we progress through the material):

-Week 1: Intro to economics; Economic postulates; Marginal and total values; Consumer Surplus
(Read chapters 1 and 2 of Silberberg and Ellis)

-Week 2: Diamond-Water paradox; Consumption smoothing; Elasticity of demand; Applications of law of demand (incl. Shipping the good apples out theory)
(Read chapters 2 and 3 of Silberberg and Ellis)

-Week 3: Mutual gains from trade; Supply curves; Middlemen and transaction costs
(Read chapter 4 of Silberberg and Ellis)

- Week 4: More on the behavior of consumers; Indifference curves; budget constraints; the utility function
(Read chapter 3 of Landsburg...scans of this chapter will be posted on class webpage)
- Week 5: Consumers in the marketplace; income and substitution effects; normal goods and inferior goods
(Read chapter 4 of Landsburg...scans of this chapter will be posted on class webpage)
- Week 6: Changes in demand/supply vs. changes in quantity demanded/supplied; Interrelated markets; Who pays a sales tax?; Price controls and price supports; Shortages and surpluses
(Read chapter 5 of Silberberg and Ellis)
- Week 7: Gains from specialization; Comparative advantage; Rising marginal costs; minimization of total costs of production in the market
(Read chapter 6 of Silberberg and Ellis)
- Week 8: Law of diminishing marginal product; Property rights and Efficiency; Marginal reasoning
(Read chapter 7 of Silberberg and Ellis) **Midterm (Oct. 8th)**
- Week 9: Competitive Markets; Fixed vs. variable costs; Shut-down decision; Do firms really maximize profits?; Intensive and extensive margins combined; Returns to scale; Futures markets
(Read chapter 8 of Silberberg and Ellis)
- Week 10: Coase Theorem; Transaction costs and property rights; Highway congestion; Public goods; Prisoner's dilemma
(Read chapter 9 of Silberberg and Ellis)
- Week 11: Present and future values; Applications to stocks and bonds; trucking licenses; taxi cab medallions
(Read chapter 10 of Silberberg and Ellis)
- Week 12: Monopoly; Price discrimination; Imperfect competition
(Read chapters 11 and 12 of Silberberg and Ellis)
- Week 13: Natural resource economics
(Read chapter 14 of Silberberg and Ellis)
- Week 14: Catch-up week
- Finals Week: **Cumulative final (take-home style) will be handed out on Nov. 19th**

Other notes:

-I will primarily use email to correspond about weekly reading assignments, homework, etc. Please check your email regularly. Email is also the best way to reach me regarding any questions or concerns you may have about anything course related.

-Weekly WebEx links will be sent to you via email for office hours.