MICROECONOMIC THEORY WITH APPLICATIONS TO NATURAL RESOURCES FALL, 2005

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This syllabus is a work in progress. The authoritative version may always be found at http://are.berkeley.edu/~ligon/Teaching/EEP100/eep100.html.

1 Texts

Nicholson, Walter, *Microeconomic Theory: Basic Principles and Extensions.*, Chicago: The Dryden Press. This text is available at the ASUC Bookstore. Older editions may be used, though you'll need to be careful about possible changes in chapter numbers!

If you initially have trouble understanding the material in the Nicholson text, you could supplement it with one of the other texts at this level such as those by Pindyck and Rubinfeld, Varian (Intermediate Microeconomics), Perloff (excellent), or Stigler (my personal favorite).

2 Grading

There will be roughly 10 problem sets in all, a midterm exam and a final exam. Separate letter grades will be assigned for the problem sets (collectively), the midterm exam, and the final exam. A weighted average of these three grades will determine the course grade; the weight assigned problem sets will be 1/2, the weight assigned the midterm will be 1/5, and the weight assigned the final will be 3/10.

Problem sets are due at the start of class nine days from when they are handed out. Late problem sets will not be graded.

There will be a fixed number of points assigned for successfully completing the problems sets and the exams. These points will then be added up and a letter grade will be assigned based upon the total cumulative points.

90 - 100 points	А
80 - 89 points	В
70 - 79 points	\mathbf{C}
60 - 69 points	D
0 - 60 points	\mathbf{F}

There may be opportunities to earn some additional points to augment your problem set score during the course of the semester.

In contrast, the exams will each be graded on a "curve." The midterm exam will be held during class time on October 15. The final exam will be held at the time scheduled for the exam group #9, which is Friday December 13, from 5–8 PM.

3 Topics

- 1. Introduction
 - Nicholson, Ch. 1
- 2. Mathematical Tools
 - Nicholson, Ch. 1 Appendix
- 3. Foundations of Utility Theory
 - Nicholson, Ch. 2
- 4. Demand Theory and Extensions
 - Nicholson, Chs. 3
- 5. Demand Measurement and Applications of Demand Theory
 - Nicholson, Ch. 4
- 6. The Theory of the Firm: Production and Costs
 - Nicholson, Chs. 5 and 6
- 7. Profit Maximizing and Competitive Supply
 - Nicholson, Ch. 7
- 8. General Equilibrium and Efficiency
 - Nicholson, Chs. 8, 9
- 9. Time and Uncertainty
 - Nicholson, Chs. 14, 15
- 10. Input Markets, Rents, and the Theory of Distribution
 - Nicholson, Chs. 10, 11
- 11. Public Goods, Externalities, and Public Policy
 - Nicholson, Ch. 16