



**BU HUB LEARNING OUTCOMES:**

EC221 can fulfill the learning outcome of any one of the following Hub areas.

- **Quantitative Reasoning I**
- **Social Inquiry II**
- **Critical Thinking (from the Intellectual Toolkit)**

**ECONOMICS DEPARTMENT OUTCOMES:**

- EC221 is a core requirement for the BA in Economics and Mathematics. But any student can choose to take it as an alternative to EC201.
- BA/MA students are required to take EC501 for the MA component of their dual degree. Please check with your undergraduate advisor how that would impact your BA requirements in intermediate microeconomics.
- Majors in other fields should consult academic advisors in their own department.

**COURSE SCHEDULE** Details of this schedule are subject to change. Registered students can log into the course website at <http://learn.bu.edu/>. You should visit this website frequently to get the latest course schedule, check announcements, obtain class material and verify your personal grading record.

- ◆ LECTURE complements READING and self-study. They are not substitutes. To do well in this course, you must understand both thoroughly. Reading assignments in this schedule refer to Perloff's book. Supplementary reading may be assigned or suggested from time to time.
- ◆ HOMEWORK problems are specified as follows: "2.1.7" refers to question 1.7 in the "Questions" sections at the end of Chapter 2 of Perloff. "2.1.1-3" means questions 2.1.1, 2.1.2 and 2.1.3. "2.5.4,6,8,10" means questions 2.5.4, 2.5.6, 2.5.8 and 2.5.10. Supplementary problems may be provided. Homework will not be collected or graded. But you can only master the course material by working through the assignments systematically, thoroughly and in a timely manner. Moreover, portions of the exams will be modeled closely on homework problems.
- ◆ SOLUTION to homework problems and exams will be posted on the course website as the course progresses. But you will not benefit from the solutions unless you have first worked on the problems seriously. Answers to some, but not all, homework problems can also be found at the back of the book.
- ◆ An EXAM will test your comprehensive understanding of all the course material up to the time of the exam. Again, portions of the exams will be modeled closely on homework problems.

DATE	LECTURE	READING	HOMEWORK
	<b>Method and Objective of Micro-economics</b>		
Tu9/03	Economic Allocations – Efficiency & Equity	Chap.1	
Th9/05	Economic Decision & Economic Institutions – 'The Law of Demand and Supply'		2.1.1-3,7 2.2.1-3
	<b>Consumers &amp; Demand Theory</b>	Chap.2	2.3.4-5 2.4.7-8 2.5.4,6,8,10
Tu9/10	Demand Curves & Demand Elasticities	Chap.3	3.1.3 3.2.1,7,11
	Effects of Government Interventions on Consumption The Consumer Surplus		3.3.1,2,4 3.4.1,4,7,10-13
Th9/12	Consumption Choice: Preference & Utility, Budget Constraint	Chap.4	4.1.3,5,6 4.2.1-3,5-8
Tu9/17	Marginal Utility & Marginal Rate of Substitution Substitutes & Complements		4.3.1-2,5 4.4.1,5-9,15,21 4.5.2
Th9/19	Changes in Income and Prices, Demand Curves Income and Substitution Effects Leisure vs. Income	Chap.5	5.1.1,2,4,7 5.2.3-4 5.3.1-3 5.4.2-3 5.5.1-3,5,8,13
	<b>Producers &amp; Supply Theory</b>		
Tu9/24	Firms: Ownership, Management, Profit	Chap.6	6.1.1-3
	Output Decision, Supply Curve		6.2.3 6.3.1-4, 6, 7
Th9/26	Technology Decision		6.4.4-10,12 6.5.4,7
	Marginal Product, Marginal Cost, Returns to Scale		6.6.1,2,4
Tu10/01	Economic Cost	Chap.7	7.1.2,4
	Short Run vs. Long Run		7.2.4,6,7,9,11
	Entry & Exit Decision		7.3.1-5,12 7.4.1,4
Th10/03	Multi-product firms & Economy of Scope Quality Decision		7.5.1

DATE	LECTURE	READING	HOMEWORK
	<b>Perfect Competition &amp; Market Equilibrium</b>		
Tu10/08	Perfect Competition & Price-Taking Behavior	Chap.8	8.1-3                      8.2.2-4
	Short Run vs. Long Run Competition		8.3.1-4,7-9,13,19      8.4.1,4,10,12
Th10/10	Social Welfare & Social Efficiency	Chap.9	9.1.1    9.2.1    9.3.2    9.4.1    9.5.2,5,6
	Effects of Taxes, Subsidies & Regulations		9.6.2,6,7,9,11,12,14    9.7.2,3,5,8
Tu10/15	<i>&lt;Substitute Monday Schedule: No Class &amp; No Office Hours&gt;</i>		
Th10/17	General Equilibrium of the Economy	Chap.10	10.1.1-5,7,8    10.2.1,2,4    10.3.1
Tu10/22 <u>EXAM 1</u>	<i>Covers material through 10/03</i>		
Th10/24	Efficiency & Equity of the Equilibrium Allocation		10.4.2,5,6              10.5.1,3
	<b>Market Power: Monopoly</b>		
Tu10/29	Barriers to Entry, Causes of Monopoly	Chap.11	11.1.1,3,6,10,12,13    11.2.3,6,11
Th10/31	Price, Output & Inefficiency of a Monopoly		11.3.1,2,4                      11.4.1,2,5
	Regulation, Taxation & De-regulation of Monopolies		11.5.2,4,6                      11.6.2
Tu11/05	Price Discrimination by a Monopoly	Chap.12	12.1.3,7    12.2.6                      12.3.2,10,11
			12.4.1-2    12.5.1-2                      12.6.4    12.7.4
	<b>Market Power and Strategies: Oligopolies</b>		
Th11/07	Game Theory	Chap.13, 14	14.1.2-8,11-15                      14.2.1
	Oligopoly: Collusion & Strategic Interactions		14.3.1-7,13,14    14.4.3    14.5.1-2
Tu11/12	Non-cooperative Oligopoly: the Cournot Model		13.1.1                                      13.2.1,4,7
	Approaching Perfect Competition	Appendix 13A	13.3.2,3,5,7,8,9,12                      13.4.1,4,5,6
Th11/14	Non-cooperative Oligopoly: the Bertrand Model		13.5.1
	Product Differentiation		13.5.5-7                                      13.6.6
Tu11/19 <u>EXAM 2</u>	<i>Covers material through 11/05</i>		
	<b>Time and Uncertainty</b>		
Th11/21	Supply of Capital, Investments & Interest Rate	Chap.16, Appendix16A	16.1,4,7,12,13    16.2.2,9,10,18    16.3.2-3
Tu11/26	Uncertainty, Risk and Insurance	Chap.17	17.1.1-3    17.2.1,3,7,10,11    17.3.1,3
			17.4.1-3    17.5.1-2
Th11/28	<i>&lt;Thanksgiving Recess: No Class &amp; No Office Hours&gt;</i>		
	<b>Economic Externalities</b>		
Tu12/03	Negative Externalities: Pollution, Common Property	Chap.18	18.1.3-4    18.2.1-2    18.3.5    18.4.2
Th12/05	Positive Externalities: Public Goods		18.5.1,3    18.6.5-7,12
	<b>Asymmetric Information</b>		
Tu12/10	Adverse Selection, Signaling and Screening	Chap.19	19.1.2,7,11    19.2.3    19.3.3    19.4.1    19.5.2-6
	Moral Hazard, Contracting	Chap.20	20.1.8                      20.2.4,11    20.3.2-3    20.4.2
Tu12/17 <u>EXAM 3</u> <12-2pm>	<i>Covers material from the whole course</i>		

\*Final exam schedule is subject to confirmation or change by the University Registrar's official announcement later in the semester.