



## ***PRINCIPLES OF MICROECONOMICS***

### **Course description**

In this course we will discover basic concepts in economics that will help us understand the everyday economic processes. We will study basic ideas and tools of microeconomics, the branch of economics that deals with the behavior of individual economic agents — i.e. consumers, firms, workers and investors—as well as the markets in which these agents operate. Simple mathematical and graphical techniques will be used to analyze the choice made by the economic agents.

### **Course Goals**

After this course, you should be able to:

- ◆ Understand economic articles on newspaper and discussions on TV shows and social networks.
- ◆ Understand how consumers, firms, workers and governments behave in a market economy
- ◆ Understand the implications of certain policies and market structures such as legal minimum wage, antitrust intervention, and environmental laws.

### **Evaluation**

Quizzes are assigned at the end of each class. Each quiz is related to the material covered during the lecture and consist of 10 multiple choice questions. You will have 10 minutes to complete each quiz, you will be allowed to use your notes and textbook, but not to work with your classmates.

Midterms and final exam are open questions. All exams are closed book. There will be no makeup midterms. If you miss a midterm for any reason, 50% of your grade will depend on your second midterm. If you miss both midterms, you will receive a score of 0 for both of them unless you can prove that you had a valid reason (e.g. documented illness) in both days.

Math: this course does not require an advanced knowledge of math. All the concepts will be explained using graphical representations and with a limited number of formula. However, if you know how to take derivatives and solve a system of equations, it will be easier for you to grasp certain notions.

### **Honor System**

You have the responsibility to abide by the GU Honor System. A student found by the Honor Council to be in violation of the Honor Code will receive an F for the course, in addition to any penalties imposed by the Honor Council. I interpret the Honor Code as being applicable to all aspects of the course.

**Instructor:** Dario Sansone  
**E-mail:** ds1289@georgetown.edu.

**Class time:** Monday to Thursday  
1:00-3:00 pm

**Location:** TBA

**Office Hour:** After class or by appointment (24-hour notice)

**Course website:** the material for this course will be posted on Georgetown Blackboard.

Students with disabilities are encouraged to contact the **Academic Resource Center** for further information about accommodations available to them.

### **Requirements**

Quizzes: 20%  
First Midterm: 25%  
Second Midterm: 25%  
Final Exam: 30%

### **Grade**

If your total score is above 35/100 and you don't miss any exam, you will pass the course. Your final grade will depend on the mean and standard deviation of the grade distribution.

### **Textbook**

*Microeconomics* by Robert Pindyck and Daniel Rubinfeld, 8<sup>th</sup> edition.  
ISBN-13: 9780132857123



## ***SCHEDULE OF CLASSES (Tentative)***

### **Week 1 (July 6<sup>th</sup>-9<sup>th</sup>)**

Chapter 1: Preliminaries  
Chapter 2: The basics of Supply and Demand  
Chapter 3: Consumer Behavior

### **Week 2 (July 13<sup>th</sup>-16<sup>th</sup>)**

Chapter 4: Individual and Market Demand  
Chapter 5: Uncertainty and Consumer Behavior

### **Week 3 (July 20<sup>th</sup>-23<sup>th</sup>)**

Chapter 6: Production  
Chapter 7: The Cost of Production  
Chapter 8: Profit Maximization and Competitive Supply  
Chapter 9: The Analysis of Competitive Markets

### **Week 4 (July 27<sup>th</sup>-30<sup>th</sup>)**

Chapter 10: Market Power: Monopoly and Monopsony  
Chapter 11: Pricing with Market Power  
Chapter 12: Monopolistic Competition and Oligopoly

### **Week 5 (August 3<sup>rd</sup>-6<sup>th</sup>)**

Chapter 13: Game Theory and Competitive Strategy  
Chapter 14: Markets for Factor Inputs  
Chapter 15: Investment, Time, and Capital Markets  
Chapter 17: Markets with Asymmetric Information  
Chapter 18: Externalities and Public Goods

### **Important Dates**

**First lecture:** July 6<sup>th</sup>  
**Last lecture:** August 6<sup>th</sup>

**First Midterm:** July 16<sup>th</sup>  
**Second Midterm:** July 27<sup>th</sup>  
**Final Exam:** August 6<sup>th</sup>

**Instructional Continuity Policy:** In case of unforeseen interruption of face-to-face instruction (e.g. university closure), you are expected to cover by yourself the relevant material and readings posted on Blackboard. If you have any question, I will be available by email or Skype for office hour.