Course Description
In this course we will cover economic decision making by individuals and firms in some depth. We will also discuss the markets in which individuals and firms interact and consider both partial and general equilibrium models of these markets. Additional topics include welfare economics, the economics of uncertainty, game theory, and causes of market failure.

Instructor Information
Instructor: Prof. Damien Sheehan-Connor
Office: PAC 322
E-mail: dsheehanconn@wesleyan.edu
Phone: x2531
Office Hours: Tu 9am-12pm and by appointment

Readings
The required textbook for this course is:


All readings will be in the required text and are referenced only by chapter in the reading list below.

This list includes topics that I hope to cover in the course along with the Chapters covered in each topic. Dates are not listed because our progress through the material will depend upon various factors. At the end of each lecture, I will announce where you should be in the reading for the next lecture. In addition, I will post a series of announcements on the class Moodle page conveying this information. As a rough guide, I hope to finish the section labeled “Consumers” before the first midterm and the sections “Producers” and “Competitive Markets and Equilibrium” before the second midterm.

Note that while Chapter 2 is not formally assigned, it is likely to be very useful to you. It covers many of the mathematical techniques that we will use to solve
problems during the semester. I would suggest looking over the chapter early in the course so that you know what is there and then using it as needed.

**Lectures**
The lectures will be used to develop the key ideas from the reading and to help you develop your economic intuition. Understanding the material presented will be critical to good performance on the course problem sets and exams. We will spend some time working examples, but the bulk of practice problem solving will occur outside of lecture.

**Written Assignments**
There will be 9 problem sets assigned during the semester. They will be posted on the course Moodle Thursday and due the following Wednesday each week except for exam and break weeks. Practice problems will be given during exam weeks to help you prepare, but you will not need to pass them in. Problem sets are due in lecture on the due date; no late problem sets will be accepted without prior permission from the instructor.

The problem sets are intended to prepare you for the exams and the questions will be similar in structure to those on the exams.

A help session will be run by a course assistant one or two days before each problem set is due.

Please see the section on “Academic Integrity” regarding information on collaborating with other students on problem sets.

The problem sets will count for 25% of the course grade.

**Examinations**
There will be two midterms and one final examination. The second midterm will cover material from after the first midterm. The final exam will be cumulative with emphasis on material covered after the second midterm. The exam dates are listed below under “Important Dates.” Practice exams will be made available to help you prepare.

The midterms each account for 20% of the final course grade and the final accounts for 35%.
**Course Information**
A course webpage will be maintained at [http://moodle.wesleyan.edu](http://moodle.wesleyan.edu). Important information will be posted here and grades will be recorded here. Course announcements with a critical time component will be e-mailed to class members.

**Important Dates**

**Problem Set Due Dates**
Problem Sets are due in class *every Wednesday* except: (1) the first day of class; (2) the weeks of midterm exams; and (3) the week of fall break. There will be a total of 9 graded problem sets.

**Examination Dates**
- Midterm Examination 1: Wednesday October 7 in class
- Midterm Examination 2: Wednesday November 11 in class
- Final Examination: Wednesday December 16, 9am-12pm

**Academic Integrity**
Wesleyan University has an honor code that can be read at:

[http://www.wesleyan.edu/studentaffairs/honorboard/honorcode.html](http://www.wesleyan.edu/studentaffairs/honorboard/honorcode.html)

It is expected that students will abide by the honor code during this course.

Exams are closed book. Calculators are allowed. Cell phones, notes, books, and anything other than writing implements, calculators, and test papers should not be in evidence during exams. Students will be asked to sign the honor code pledge on each exam. Any students suspected of cheating during an examination will be referred to the Wesleyan Honor Board.

Collaboration on problem sets is allowed and, in fact, encouraged. I do require, however, that each student hand in a problem set written *in her own words* rather than one that is simply copied from another student. Collaborators should be noted at the top of each problem set.

**Disability Resources**
Wesleyan University is committed to ensuring that all qualified students with disabilities are afforded an equal opportunity to participate in and benefit from its programs and services. To receive accommodations, a student must have a documented disability as defined by Section 504 of the Rehabilitation Act of 1973 and the ADA Amendments Act of 2008, and provide documentation of the disability.
Since accommodations may require early planning and generally are not provided retroactively, please contact Disability Resources as soon as possible.

If you believe that you need accommodations for a disability, please contact Dean Patey in Disability Resources, located in North College, Room 021, or call 860-685-5581 for an appointment to discuss your needs and the process for requesting accommodations.

**Topic / Reading List**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers</td>
<td></td>
</tr>
<tr>
<td>• Preferences and Utility</td>
<td>Chapter 3</td>
</tr>
<tr>
<td>• Utility Maximization and Choice</td>
<td>Chapter 4</td>
</tr>
<tr>
<td>• Income and Substitution Effects</td>
<td>Chapter 5</td>
</tr>
<tr>
<td>• Demand Relationships Among Goods</td>
<td>Chapter 6</td>
</tr>
<tr>
<td>Producers</td>
<td></td>
</tr>
<tr>
<td>• Production Functions</td>
<td>Chapter 9</td>
</tr>
<tr>
<td>• Cost Functions</td>
<td>Chapter 10</td>
</tr>
<tr>
<td>• Profit Maximization</td>
<td>Chapter 11</td>
</tr>
<tr>
<td>Competitive Markets and Equilibrium</td>
<td></td>
</tr>
<tr>
<td>• The Partial Equilibrium Competitive Model</td>
<td>Chapter 12</td>
</tr>
<tr>
<td>• General Equilibrium and Welfare</td>
<td>Chapter 13</td>
</tr>
<tr>
<td>Other Topics</td>
<td></td>
</tr>
<tr>
<td>• Uncertainty</td>
<td>Chapter 7</td>
</tr>
<tr>
<td>• Game Theory</td>
<td>Chapter 8</td>
</tr>
<tr>
<td>• Monopoly and Imperfect Competition</td>
<td>Chapters 14-15</td>
</tr>
<tr>
<td>• Externalities and Public Goods</td>
<td>Chapter 19</td>
</tr>
</tbody>
</table>