

University of Washington

Economics 400: Advanced Microeconomics

Autumn 2011

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Office hours are TuTh 7:15-8:15 and by appointment.

Content and Objectives

This course presents the conceptual foundations and analytical methods of microeconomics. It covers the basic theories of consumer and firm behavior, perfect competition, imperfect competition (monopoly, oligopoly, and monopolistic competition), decisions under uncertainty and asymmetric information, and issues in regulation.

This course is intended to equip you with the tools and comprehension to write reports or conduct research using modern microeconomic theory. Correspondingly, mastery of the material covered in the course will help you critically evaluate the microeconomic content of the work of others.

Requirements

The mathematical prerequisite for this course is a strong background in calculus.

Economics 400 is a fairly traditional course, consisting of lectures and discussions in class, problem sets, a midterm exam, and a final exam.

Problem Sets will be distributed on the class website, which can be accessed by going to www.econ.washington.edu, clicking on *Instruction*, selecting *Course Schedule*, selecting *Autumn 2011*, and then clicking on *400*.

You are required to purchase a copy of *Microeconomic Theory: Basic Principles and Extensions* (tenth edition) by Walter Nicholson (WN) and Christopher Snyder. This text is an excellent and accessible summary of modern microeconomics.

Tentative Course Schedule

<i>Mathematical Preliminaries</i>	WN, Chapters 1 and 2
<i>Preferences and Utility Maximization</i>	WN, Chapters 3 and 4
<i>Demand Relationships and Revealed Preference</i>	WN, Chapters 5 and 6
<i>Production and Cost Functions</i>	WN, Chapters 9 and 10
<i>Profit Maximization and Partial Competitive Equilibrium</i>	WN, Chapters 11 and 12

Midterm Exam

<i>Monopoly</i>	WN, Chapter 14
<i>Strategy and Imperfect Competition</i>	WN, Chapters 8 and 15
<i>Estimation of Cost Functions And Market Power</i>	
<i>Uncertainty, Asymmetric Information, and the Revelation Principle</i>	WN, Chapter 7
<i>Optimal Control Theory</i>	

Final Exam

The following message is forwarded to you from UW Human Resources.

Violence awareness and prevention remains an important issue. Please include the following information in the announcement section of 2009 - 2010 course syllabi:

UW SafeCampus

Preventing violence is everyone's responsibility. If you're concerned, tell someone.

- * Always call 911 if you or others may be in danger.
- * Call 206-685-SAFE (7233) to report non-urgent threats of violence and for referrals to UW counseling and/or safety resources. TTY or VP callers, please call through your preferred relay service.
- * Don't walk alone. Campus safety guards can walk with you on campus after dark. Call Husky NightWalk 206-685-WALK (9255).
- * Stay connected in an emergency with UW Alert. Register your mobile number to receive instant notification of campus emergencies via text and voice messaging. Sign up online at www.washington.edu/alert

For more information visit the SafeCampus website at ***www.washington.edu/safecampus***.