GRANDE PRAIRIE REGIONAL COLLEGE

DEPARTMENT OF ARTS, EDUCATION AND COMMERCE

EC 2810 - MICROECONOMIC ANALYSIS I

COURSE OUTLINE

INSTRUCTOR: Ebby Aslani   FALL, 1998
OFFICE: C 423
OFFICE HOURS: Mon, Wed, Fri, 11:00 - 12:00
               or by appointment
PHONE: 539 - 2973

I.   COURSE OBJECTIVE

The course deals with microeconomic theory at an intermediate level. It has four basic goals:

1.   To expand knowledge and understanding of microeconomic tools beyond the elementary level.

2.   To enhance the understanding of the theory of the consumer, and the theories of production, cost, price, output and input determination under various market structures.

3.   To use mathematical techniques, mainly calculus, as a method of teaching microeconomic theory, in addition to the verbal and diagrammatical methods.

4.   To develop an ability to use the theory to solve theoretical problems and to apply it to "real world" phenomena.

* *   I would like to emphasize that this is a course in economics, not in mathematics. While the understanding of the mathematics and its economic interpretation will be reflected in the final grades of students of this course, the student will be tested mainly on their understanding and application of microeconomic theory. This is especially true for the final examination. However, anyone who has already completed EC 1010, EC 1020 and at least MA 1130 or MA 1140, and is willing to work hard enough to enhance his/her economic and mathematical skills is welcome to attend this course, and can expect to complete it successfully.

Remember that, by its nature, this course is a theoretical one. Most of the class time is required to enable the students to master microeconomic tools and theory. Applications are to be found mainly in the textbooks, in assignments and in exams. The knowledge which will be acquired in this course will be useful when taking other economic courses such as industrial organization, international trade, labour economics, urban economics etc., and business courses in finance, marketing, cost accounting etc.

COURSE OUTLINE:

I. Introduction and Review:

1.	The Market	CH. 1
2.	The Mathematics of Optimization	

II. The Theory of Consumer Behaviour:

3.	budget Constraint	CH. 2
4.	Preferences	CH. 3
5.	Utility	CH. 4
6.	Choice	CH. 5
7	Demand	CH. 6
8.	Slutsky Equation	CH. 8
9.	Intertemporal Choice	CH. 10
10.	Consumer's Surplus	CH. 14
11.	Market Demand	CH. 15
12.	Equilibrium	CH. 16

III. Production and Supply:

13.	Technology	CH. 17
14.	Profit Maximization	CH. 18
15.	Cost Minimization	CH. 19
16.	Cost Curves	CH. 20
17.	Firm Supply	CH. 21
18.	Industry Supply	CH. 22

IV. Models of Imperfect Competition:

19.	Monopoly	CH. 23
20.	Monopoly Behavior	CH. 24

V. Pricing in factor Market:

21.	Factor Market	CH. 25

VI. Market Equilibrium, Perfect Competition:

22.	Exchange	CH. 28
23	Production	CH. 29
24	Welfare	CH. 30

VII. Limits of the Markets:

25.	Externalities	CH. 31
26.	Public Goods	CH. 33

*** Due to the limited time, we may not be able to cover all of the above, but we will try.

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