

SEP. 07 2001

GRANDE PRAIRIE REGIONAL COLLEGE

DEPARTMENT OF ARTS, COMMERCE, AND EDUCATION

EC 2810 - MICROECONOMIC ANALYSIS I

COURSE OUTLINE

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INSTRUCTOR:	Ebby Aslani	FALL, 2001
OFFICE:	C 423	
OFFICE HOURS:	Tues., Thurs., 11:30 - 12:50	or by appointment
PHONE:	539 - 2973	

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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 emphasise 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.

## II. TEXT BOOK:

Intermediate Microeconomics, and Its Application, Eighth Edition, Walter Nicholson, Dryden, 2000.

\*\* Also, you may find it useful to review the following text:

Intermediate Microeconomics, A Modern Approach, Fourth Edition, Hal R. Varian, Norton, 1996.

Microeconomics, Second Edition, Robert S. Pindyck and Daniel L. Rubinfeld, Macmillan, 1992.

## III. MARK DISTRIBUTION:

Two Assignments @ Three Mid-term Exams (20% each) 100%

## IV. GRADE DETERMINATION:

I. All grades are first recorded as percentages. After the last exam, the weighted average of the percentages will be converted to the college nine-point system according to the following table:

9 = 90 - 100 %	6 = 65 - 71 %	3 = 45 - 49 %
8 = 80 - 89 %	5 = 57 - 64 %	2 = 26 - 44 %
7 = 72 - 79 %	4 = 50 - 56 %	1 = 0 - 25 %

**NOTE:** Except for the adjustment of the raw grades of assignments or exams, grades are not changed. Moreover, the final grades are not determined with reference to any curve. As well, at any point of time the student may find out exactly where he/she stands (compared with his/her goal).

### COURSE OUTLINE:

1.	Economic Models	CH. 1
2.	The Mathematics of Optimization	
3.	Utility & Choice ; Constrained Optimization	CH. 2
4.	Individual's Demand	CH. 3
5.	Market Demand & Elasticity	CH. 4
6.	Production, Cost, and Supply	CH. 5
7.	Costs	CH. 6
8.	Profit Maximization & Supply	CH. 7
9.	Market Equilibrium and Competitive Market	CH. 8
10.	Applying the Competitive Model	CH. 9
11.	Monopoly	CH. 10
12.	Imperfect Competition	CH. 11
13.	General Equilibrium	CH. 13
14.	Factor Market & Input Pricing	CH. 14
15.	Labour Supply	CH. 14
16.	Time & Interest Rate	CH. 15
17.	Externality & Public goods	CH. 17

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