Microeconomic Theory (440.601.51)
Johns Hopkins University Zanvyl Krieger School of Arts and Sciences
Advanced Academic Programs
Washington, DC Center

2014 Summer Session

Faculty: Jay Schwarz, PhD
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Course Times: 6 to 8:45 pm Wednesdays May 12 ÿ August 18, 2014
EXCEPT May 26 ÿ Memorial Day Break

Course Grading: Letter grades will be given. Grades will depend on two exams, several homework sets, and participation in class via "Question for Next Lecture"

Course Description: This course offers a systematic presentation of consumer theory, theory of the firm, and market equilibrium. Topics covered include constrained optimization, preferences and utility, exchange, production, pricing, market structures, and welfare economics. These concepts are then applied to various policy issues.

Prerequisites: AS.440.304, Math Methods for Economists


Course Outline (Readings in parenthesis):

May 12 – Introductions; "The Big Picture with Models" Math refresher (Chapters 1 & 2).

May 19 ÿ Consumer Preferences (Chapter 3)

May 26 ÿ NO CLASS: Memorial Day Break

June 2 ÿ Utility Maximization (Chapter 4)

June 9 ÿ Income and Substitution Effects/Slutsky Equation/Demand Elasticity (Chapter 5); Substitutes and Compliments (Chapter 6, pp 187-192).


June 23 ÿ Game Theory (Chapter 8); In-class experiments related to game theory

June 30 ÿ Game Theory (Chapter 8); Discuss Mid-term Exam

July 7 ÿ Mid-term Exam

July 14 ÿ Production and Cost Functions (Chapters 9 and 10)
July 21 ŭ Profit Maximization (Chapter 11); Supplemental Discussion: ŦIs Profit Maximization for Real?ŏ (Romer, David. ŦDo Firms Maximize? Evidence from Professional Footballŏ Journal of Political Economy. April 2006.)

July 28 ŭ Partial Equilibrium, Welfare, and Price Controls (Chapter 12); Supplemental Discussion: ŦEstimating Elasticities and Welfare Effects in the Real Worldŏ

August 4 ŭ Monopoly and Imperfect Competition (Chapter 14 and 15); Supplemental Discussion: ŦRegulating Natural Monopoliesŏ

August 11 ŭ Externalities and Public Goods (Chapter 19); Supplemental Discussion: ŦGovernment Action and Public Provisionŏ Discuss Final Exam

August 18 – Final Exam