

Professor: Kara Reynolds
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Office Hours: Mondays, 9:00-9:45
Thursdays, 1:00-4:00
And By Appointment

COURSE DESCRIPTION: The purpose of this course is to explore the foundations of microeconomic theory, focusing on the behavior of individuals, firms, and the interactions of these agents in the marketplace. The organization of markets and its implications for firm behavior will also be examined. Moreover, the process by which these markets reach equilibrium will be explored. Finally, the concepts of market efficiency will be discussed. The principles covered in this course are building blocks which can and will be used to analyze many special topics, including labor markets, government policies, and a wide variety of market failures.

TEXT: The main text for the course is Pindyck & Rubinfeld, *Microeconomics* (Pearson/Prentice Hall, 2009), Seventh Edition. The text is a reference, but not a substitute for lectures. You also will need to purchase an access code for the *My Econ Lab* supplement for this textbook, which you will be using to complete homework assignments and to access additional study materials. An access code is bundled with any new textbook purchased at the bookstore, but you can also purchase this code separately. Instructions for accessing *My Econ Lab* are posted on the course blackboard site. The blackboard site also contains a wide variety of useful study tools, including copies of the power point slides used in class.

GRADING:

Class Participation	10%
Homework	20%
Exam #1 (<i>September 28</i>)	20%
Exam #2 (<i>November 2</i>)	20%
Final Exam (<i>December 10</i>)	30%

Exams will only be given on the scheduled dates. Acceptable reasons for missing an exam are incapacitating illness, participation in a university-sponsored intercollegiate competition, or family emergency. If you miss one of the exams, you should inform me of your excuse within one week of the exam. No make-up exams will be given, but if you have an acceptable excuse your other scores will be scaled up proportionately. If your excuse is unacceptable, your grade will be similarly adjusted but subject to a 25 percent penalty.

ACADEMIC INTEGRITY: Standards of academic conduct are set forth in the University's Academic Integrity Code. By registering, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the code. Violations of the Academic Integrity Code will not be treated lightly, and disciplinary actions will be taken should violations occur. Please see me if you have any questions regarding the academic violations described in the Code in general or as they relate to particular requirements for this course.

EMERGENCY PREPAREDNESS: In the event of a declared pandemic (influenza or other communicable disease), American University will implement a plan for meeting the needs of all members of the university community. Should the university be required to close for a period of time, we are committed to ensuring that all aspects of our educational programs will be delivered to our students. These may include altering and extending the duration of the traditional term schedule to complete essential instruction in the traditional format and/or use of distance instructional methods. Specific strategies will vary from class to class, depending on the format of the course and the timing of the emergency. Faculty will communicate class-specific information to students via AU e-mail and Blackboard, while students must inform their faculty immediately of any absence due to illness. Students are responsible for checking their AU e-mail regularly and keeping themselves informed of emergencies. In the event of a declared pandemic or other emergency, students should refer to the AU Web site (www.prepared.american.edu) and the AU information line at (202) 885-1100 for general university-wide information, as well as contact their faculty and/or respective dean's office for course and school/ college-specific information.

COURSE SCHEDULE:

The dates that we discuss each section, as well as the due dates for homework assignments, are subject to minor revisions.

I.	Introduction <i>Chapter 1</i>	August 24
II.	Supply and Demand <i>Chapter 2</i>	August 27-31
	<i>Assignment #1 Due</i>	<i>September 3</i>
III.	Consumer Theory <i>Chapters 3-4</i>	September 3-14
	<i>Labor Day</i>	<i>September 7</i>
	<i>Assignment #2 Due</i>	<i>September 17</i>
IV.	Producer Theory <i>Chapters 6-7</i>	September 17-October 1

	<i>Assignment #3 Due</i>	<i>September 24</i>
	<i>Exam #1</i>	<i>September 28</i>
V.	Perfect Competition and Welfare Analysis <i>Chapters 8-9</i>	October 5-15
	<i>Assignment #4 Due</i>	<i>October 8</i>
VI.	Market Power <i>Chapters 10-14</i>	October 19-29
	<i>Assignment #5 Due</i>	<i>October 19</i>
	<i>Assignment #6 Due</i>	<i>October 29</i>
	<i>Exam #2</i>	<i>November 2</i>
VII.	Investment, Time and Capital Markets Chapter 15	November 5
VIII.	Uncertainty and Consumer Behavior <i>Chapter 5</i>	November 9-12
	<i>Assignment #7 Due</i>	<i>November 9</i>
IX.	Market Failures (Asymmetric Information, Externalities and Public Goods) <i>Chapters 17-18</i>	November 16-December 3
	<i>Assignment #8 Due</i>	<i>November 19</i>
	<i>Class Cancelled</i>	<i>November 23</i>
	<i>Assignment #9 Due</i>	<i>December 3</i>
	<i>Final Exam</i>	<i>December 10, 8:30-11:00</i>