

Course information

Lectures: MW 11am - 12.50pm (407 IAB)  
Office Hours: MW 1 - 2pm  
<http://www.columbia.edu/itc/sipa/u8216-03/>

TA: Bernard Wee (btw11@columbia.edu)  
PA: Jennifer Sly (js1069@columbia.edu)

Contact information

807B IAB  
420 West 118<sup>th</sup> Street  
Telephone: 854-4659

Lab: F 11am - 12.50pm (407 IAB)  
Math Review: R 4.10 - 6pm (411 IAB)

TA's and Tutorials

The teaching assistant will run a weekly session to review class material and help with the problem sets, and in addition will schedule weekly office hours. The program assistant will have weekly office hours, and before the midterm will run weekly math review sessions.

Texts

Robert S. Pindyck and Daniel L. Rubinfeld (2000). *Microeconomics*, 5<sup>th</sup> edition (required). Also recommended is the accompanying study guide. Some chapters of *Policy Analysis: Concepts and Practice* by Weimer and Vining (3<sup>rd</sup> edition, 1998) will be assigned in the second term, so it is not needed until then, though still recommended.

Problem sets

There will be seven problem sets. If you complete all seven problem sets, the lowest grade will be dropped. Note that there are no late submissions; a late is a zero.

Group assignments

Individuals will be assigned into one of eight groups. Each group will be given their topic two to three weeks prior to their presentation date (dates will be spread throughout the term). The group is responsible for making a 45 minute in-class presentation, followed by a 15 minute question-and-answer period. The group must submit a written (one to two page) brief, which summarizes their presentation. The briefs will be faxed to me two days before the presentation.

Newspaper

Once before the end of term you must submit a one-page (maximum) economic analysis of a newspaper article. The article should be from a current periodical (within the last 2 months), and should relate to current class material. Your write-up should put the article within an appropriate analytic framework, and explain how the conclusions are reached, and whether they are correct or not. Some individuals will be asked to present their articles in class. Topics must be approved by the TA first, to prevent duplication.

Grading

The grade will be determined by a final exam (45%), a midterm (30%), problem sets (15%), the newspaper article (5%), and class participation (5%). The final grade also includes a +, -, or ? component based on the group presentation and class participation during other groups' presentations. An outstanding presentation and participation (+) can move your grade up by one step. A disastrous presentation and no participation (-) can move you down by one step. Those in the middle (? ) will be unaffected. Failure to complete the final exam will result in a failing grade. Failure to complete the midterm, a problem set, or the presentation will lead to zero being assigned for that evaluation. There are no make-ups. Failure to participate in a group assignment will lead to a full letter reduction in the grade. The newspaper article analysis will be graded on a 5-point scale.

Attending class

All dates are provisional and subject to change. Plan on attending *all* the classes. Do not purchase air tickets that conflict with class dates. Dates of the midterm, problem sets, and group projects may change depending on the pace of the lectures.

## Schedule

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**September 6** to Introduction, or *Why (not) to study Microeconomics*;  
Demand and supply review (or *The Ethereal 'X'*); Math review.

Reading: PR chapters 1,2.

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**September 11** Preferences, budget constraints, and Marshallian demand, or *Let's go optimize*;

Reading: PR chapter 3.

**September 13** Income and substitution effects, Hicksian demands, or *Ezimitpo og s'tel*.

Reading: PR chapter 4.1-4.2.

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**September 18** Market demand, or *Under the big top*.

Reading: PR chapter 4.3, 4.6, appendix.

**September 20** Labor supply, or *You say lee-sure, I say leshure is but twenty-four minus work*.

Reading: handed out.

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**September 25** Exchange economies, or *That's Do ut des, not Quid pro quo*.

Reading: PR chapter 16.1.

**September 27** Efficiency, equity, or *Paradise gained* (or *First the good news*).

Reading: PR chapter 16.2-16.6.

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**October 2** Game Theory, or *Come on down!*

Reading: PR chapter 13.1-13.3.

**October 4** Group 1 presentation.

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**October 9** --

**October 11** Group 2 presentation.

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**October 16** Inefficiencies, market failures, or *Paradise lost* (or *Then the bad news*).

Reading: PR chapter 16.7.

**October 18** Time (*and it's about time!*)

Reading: PR chapter 15.

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**October 23 Midterm**

**October 25** Midterm review.

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**October 30** Uncertainty (or *How to keep your feet warm*).

Reading: PR chapter 5.

**November 1** Group 3 presentation.

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**November 6** University holiday (Election Monday).

**November 8** Asymmetric Information, or *What you don't know could kill you*.

Reading: PR chapter 17.

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**November 13** Group 4 presentation.

**November 15** An introduction to production, technology, scale, or *Waste not*.

Reading: PR chapter 6.

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**November 20** Group 5 presentation.

**November 22** --

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**November 27** Cost, cost minimization, or *Make it cheap*.

Reading: PR chapter 7.

**November 29** Group 6 presentation. Group 7 presentation.

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**December 4** Profit, profit maximization, supply, or *Pi-max time*.

Reading: PR chapter 8.

**December 6** Group 8 presentation. Review.

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**December 11 Final Exam**

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### Assignments and Lab

DATE	READING	ASSIGNED	DUE	LAB
September	6	1, 2		
	11	3		
	13	4.1 – 4.2		
	18	4.3 – 4.6, app.	Problem Set 1	
	20	16.1	Group Project 1	
	25		Problem Set 2	Problem Set 1
	27	16.2 – 16.6	Group Project 2	
October	2	13.1 – 13.3		
	4		Problem Set 3	Problem Set 2 Group 1 Project Group 5 Article
	9			
	11		Problem Set 4	Problem Set 3 Group 2 Project Group 6 Article
	16	16.7		Midterm Review
	18	15	Group Project 3	Problem Set 4
	23	<b>MIDTERM</b>		
	25			
	30	5	Group Project 4	
November	1		Problem Set 5 Group Project 5	Group 3 Project Group 7 Article
	6	<b>ELECTION MONDAY</b>		
	8	17		
	13			Group 4 Project Group 8 Article
	15	6	Problem Set 6 Group Project 6,7	Problem Set 5
	20		Group Project 8	Group 5 Project Group 1 Article
	22	<b>THANKSGIVING</b>		
	27	7	Problem Set 7	Problem Set 6
	29			Group 6, 7 Project Group 2, 3 Article
December	4	8		Final Review
	6			Problem Set 7 Group Project 8 Group 4 Article
	11	<b>FINAL EXAMINATION</b>		