Instructor: Nathaniel Wright

Email: nate.wright@hunter.cuny.edu

Office Hours: NB 1.89: Wednesdays, 1:45 – 2:45

Prerequisites: ENG 101 and ECO 101, or ECO 105 and 125.

Course Description:


II. Consumer Choice and Labor Supply: How the consumer makes his or her decisions. How to algebraically represent the constraints of price and income. How to represent “well behaved” preferences with a utility function. How an informed consumer chooses an optimal bundle the optimal bundle he/she can afford. How we can use the concept of preference to derive market demand.


IV. General Equilibrium: The concept of a social welfare function. The differences between and similarities of central planning versus market economies. How input and consumption economies can be represented with an Edgeworth Box.

Course Objectives:

In this course we will pursue an analytical approach to microeconomics. The goal is to build on your current knowledge of microeconomics, and for you to work towards a more rigorous understanding of consumption and production decisions, market structure, and equilibrium.

The Role of Markets – At the end of the semester students will be able to articulate the role of markets in a system of voluntary exchange, to explain how the market mechanism allocates resources, and the arguments for a market-base economy.

Alienation – By the end of the semester students will be able to apply the concept of alienation, and will be equipped to examine the nature of work and life within a capitalist system. Students will be able to analyze and describe the consequences of the social arrangements of capitalism on
individuals.

**Optimizing Behavior** - At the end of the semester students will be able to understand and apply the mathematics of optimization in microeconomics in different economic contexts. Students will be able to apply and interpret the optimal choice of an agent under constraints. In particular students will become proficient in solving utility maximization and cost minimization problems and utilizing the results.

**Efficiency and Surplus** – to identify, calculate, and interpret the benefits of exchange (surplus), and to understand how the theory of surplus relates to economic efficiency. Students will be able to apply these concepts to analyze how market structure and policy will affect the distribution of surplus and economic efficiency.

**Market Power** – At the end of the semester students will be able to apply economic analysis to markets of imperfect competition, to explain why different market structures arise, and to analyze how the effect agents with market power have on efficiency and social welfare.

**Course Text:** All required texts will be made available through blackboard. The two texts will be using most frequently, particularly for the more technical aspects of this class, are:

- *Microeconomics: Principles & Applications* by Robert E. Hall and Marc Lieberman
- *Labor Economics* by George Borjas

**Grading:**

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<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Attendance/Participation/Quizzes</td>
<td>10%</td>
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<tr>
<td>Assignments</td>
<td>20%</td>
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<tr>
<td>Exam 1</td>
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<td>Exam 2</td>
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<tr>
<td>Final Exam*</td>
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There will be absolutely no makeup exams and no extra credit assignments.
*The final exam is cumulative.*

**Assignments:**

There will be weekly problem sets and/response papers due on Mondays. Problems sets will be graded on a scale from 0 to 2.5, where 2.5 is full credit for the assignment. There will be eight assignments in total will be counted towards your final grade. You are encouraged to collaborate on assignments. Assignments are due at the beginning of class. Late assignments will be accepted until the class period after the due date. The highest grade you can receive on a late assignment is a 1.5.

**Exams:** There will be two midterms and a final exam. Tentative dates for the midterms are given
above. The exams will consist of a few multiple choice questions and short answer questions/problems. No reviews or study guides will be given for the midterm, but the assignments will give you a good idea for what type of problems to expect. The dates for the two midterm exams are tentative. The final will be held on Wednesday, May 13th during the normal class time.

**Attendance/Participation**

I will be taking attendance or giving a quiz at the beginning of each class. Attendance, participation, and quizzes will count for 10% of your final grade. Please be considerate of classmates: arrive to class on time and be respectful and constructive during class discussions. Cell phones and other electronic devices must be turned off before the class begins. You may not use a laptop during class, even for the purpose of taking notes.

**Americans with Disabilities Act (ADA) Policies**

Sample syllabus statement: “Qualified students with disabilities will be provided reasonable academic accommodations if determined eligible by the Office of Accessibility Services (OAS). Prior to granting disability accommodations in this course, the instructor must receive written verification of a student’s eligibility from the OAS, which is located at L66 in the new building (212-237-8031). It is the student’s responsibility to initiate contact with the office and to follow the established procedures for having the accommodation notice sent to the instructor.”

**Academic Integrity:**

Please review John Jay’s policy and procedures regarding academic integrity: https://www.jjay.cuny.edu/academic-integrity-0

**Statement of the College Policy on Plagiarism**

Plagiarism is the presentation of someone else’s ideas, words, or artistic, scientific, or technical work as one’s own creation. Using the ideas or work of another is permissible only when the original author is identified. Paraphrasing and summarizing, as well as direct quotations, require citations of the original source.

Plagiarism may be intentional or unintentional. Lack of dishonest intent does not necessarily absolve a student of responsibility for plagiarism.

It is the student’s responsibility to recognize the difference between statements that are common knowledge (which do not require documentation) and restatements of the ideas of others. Paraphrase, summary, and direct quotation are acceptable forms of restatement, as long as the source is cited.

Students who are unsure how and when to provide documentation are advised to consult with their instructors. The Library has free guides designed to help students with problems of documentation.