



**Other materials:** The study guide by Jonathan Hamilton and Valerie Suslow, ISBN: 0-13-144554-5 is optional. In addition, articles from newspapers and periodicals will be quoted and used periodically. Some additional materials will be posted on the web or handed out in class.

**Course Web Page:** <http://socrates.berkeley.edu/~gamma/ECON100A/>

Lecture outlines, homework assignments and solutions keys, and calendar of topics and due dates will be posted. The page is linked to the economics department web site.

**In-class questions:** Due to uneven prior background and to provide an equal opportunity to every student, you are encouraged to ask questions during the lecture. Questions that may take the discussion away from the main topic will be relegated to the sections or office hours.

**Evaluation:** The course grade will be based on your grades for midterm exams, final exam and homework assignments.

Homework      4 x 6 = 24%

Midterms      20 x 2 = 40% [TBA, in class]

Final Exam    36% [December, 13, Wednesday, 5:00 pm – 8:00 pm]

**Grade** = 24% Homework + 40% Midterms + 36% Final [December, 13]

Missing midterm will be counted as if your midterm score was zero. The course grades will be assigned on a curve. No make up exams will be given. For students absent for valid reasons (medical, etc.) the grades will be prorated based on the grades of submitted work. Late submissions are penalized: late homework will not be accepted.

**Homework:** There will be seven homework assignments (HA). Homework assignments must be complete and at least 80% correct to get a check plus (10 points), homework must be complete and more than 50% correct to get a check (7 points), at least 20% correct to get a check minus (3 points). If your homework contains correct answers to less than 20% questions, or if no homework was submitted, you will receive zero credit. Only 6 home assignments out of 7 will be part of course evaluation: the homework, for which your score was the lowest score, would be dropped from evaluation.

**Appeals:** Appeals have to be submitted in writing only, in three days after the graded work was distributed to the students, the latest. We reserve the right to re-grade your entire midterm (final) if you appeal.

**Attendance:** Attendance is desirable, but not mandatory. The subject of this course is conceptually demanding and hardly could be mastered through an independent self-study.

**Course Outline:****I: INTRODUCTION: MARKETS AND PRICES.**

1. Preliminaries
2. The Basics of Supply and Demand

**II: PRODUCERS, CONSUMERS, AND COMPETITIVE MARKETS.**

3. Consumer Behavior
4. Individual and Market Demand
5. Uncertainty and Consumer Behavior
6. Production
7. The Cost of Production
8. Profit Maximization and Competitive Supply
9. The Analysis of Competitive Markets

**III: MARKET STRUCTURE AND COMPETITIVE STRATEGY**

10. Market Power, Monopoly and Monopsony
11. Pricing with Market Power
12. Monopolistic Competition and Oligopoly
13. Game Theory

**IV: INFORMATION, MARKET FAILURE, AND THE ROLE OF GOVERNMENT**

17. Markets with Asymmetric Information
18. Externalities and Public Goods

Back to part III (if time permits)

15. Investment, Time, and Capital Markets
14. The Market for Factor Inputs