



**Class Assessment Calendar:**

<b>Assessment</b>	<b>Date</b>
Quiz 1	January 22
Quiz 2	February 5
<b>EXAM I</b>	<b>February 12</b>
Quiz 3	March 5
Quiz 4	March 19
<b>EXAM II</b>	<b>March 26</b>
Quiz 5	April 9
Quiz 6	April 16
<b>EXAM III</b>	<b>April 23</b>

**Required Text:** *Microeconomics*, 2nd edition, by Austan Goolsbee, Steven Levitt, and Chad Syverson. Worth Publishers, 2016.

The book is available in the OU Bookstore but can also be rented at a reduced rate on chegg.com, amazon.com, etc. Given that you are an economics major and that this is *the* most important course in the economics curriculum, *purchase* of this book is strongly recommended, both for success in this course as well as to serve as a reference for your other economics courses.

**Homework and Study Materials:** Economics is a subject best learned by “doing.” Accordingly, I will post various types of study materials to the ECN 3040 section of my personal webpage here--<http://www.sba.oakland.edu/faculty/murphy>. You should click on this page and bookmark it as soon as possible. I will post the weekly reading assignment and relevant corresponding study questions from the end of each chapter. (I will also post the solutions to the suggested study problems.) You should check this webpage frequently.

## COURSE OUTLINE

- I. Mathematics Review, pp. MR-1 to MR-8.
  
- II. Theory of the Consumer
  - A. Consumer Preferences, pp. 105-127.
  - B. Consumer's Budget Constraint, pp. 127-134.
  - C. Optimal Choice, pp. 134-142, 147-153, and Ch. 4 on-line appendix.
  - D. Income and Optimal Consumption Choice, pp. 155-163.
  - E. Price and Optimal Consumption Choice, pp. 164-181, 195-199, and Ch. 5 on-line appendix.
  - F. Substitutes and Complements, pp. 181-185.
  - G. Market Demand, pp. 185-189.
  
- III. General Equilibrium and Welfare
  - A. Basic concepts, pp. 573-586.
  - B. Equity and Efficiency, pp. 587-590.
  - C. Exchange Efficiency, pp. 591-597.
  - D. Input Efficiency, pp. 597-601.
  - E. Output Efficiency, pp. 602-605.
  - F. Markets, Efficiency, and the Welfare Theorems, pp. 605-609.
  
- IV. Market Failure and Public Policy
  - A. Externalities, pp. 651-676.
  - B. Public Goods, pp. 676-684.

V. Asymmetric Information

- A. Adverse Selection, pp. 615-627.
- B. Moral Hazard, pp. 627-633.
- C. Principal-Agent Problems, pp. 633-639.
- D. Signaling, pp. 639-645.

VI. Investment, Time, and Insurance

- A. Discounting, pp. 541-547.
- B. Evaluating Investment Choices, pp. 548-554.
- C. Uncertainty, pp. 555-558.
- D. Insurance, pp. 559-567.