

Microeconomics
Course # 1238.2310.01
Semester A – 2011-12

Lecturer: Dr. Itai Ater
Course Time: Monday 11:30 - 14:15
& Thursday 08:15-11:00
Classroom: Recanati 303
(semester A – Module A)

Office Hours: By Appointment
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Course Focus

Microeconomics is concerned with the behavior of individual consumers and individual firms, acting and interacting in markets and in industry group. The course covers basic topics in intermediate microeconomics. The main objective is to present a set of concepts and analytical techniques that are vital to microeconomic analysis.

Prerequisites: Students should be familiar with **calculus** as this is an extremely useful tool for analyzing economic models. In addition to calculus I will also use graphical presentation to illustrate the main ideas and will emphasize the general logic and intuition behind the results.

Course Materials

There is a required course reader. The reader contains all slides used in class presentations as well as 2 short case studies we will discuss. The reader will be available prior to the start of the course at the IMBA office. In addition, the textbook for this course is: [Microeconomics](#) by Bernheim and Whinston. You are highly encouraged to use the book to further develop your understanding and skills in Microeconomics.

Other books you may find useful are: [*Microeconomics: An Integrated Approach*](#) by Besanko and Braeutigam and [*Microeconomics for Managers*](#) by David M. Kreps (Copies for both books can be found in the library)

Electronic Access to Course Materials

I will post problem sets, solutions and other course material on the course website at Virtual Tau: <http://virtual.tau.ac.il>. Please make sure you have access to the course website.

Course Requirements

Problem Sets: There will be nine problem sets during the course. You should hand in the problem sets before the relevant class. For example, the problem set posted after the first meeting should be submitted in the beginning of the second meeting. Submitting each problem set is worth 0.5 points towards the final grade.

Midterm – (Nov 18, 25% of final grade)

Final Exam – (TBD, 75% of final grade)

**IMBA PROGRAM
READINGS AND ASSIGNMENTS**

Tentative Plan

Lecture No.	Week / Date	Topic	Readings from Besanko (B&B), Bernheim (B&W) and Kreps (K)	Problems Sets (Due Date)
(1)	Week 1: Oct 31	Introduction and Marginal Thinking	Ch. 1 (B&B) Ch. 1 & 3.1-3.2 (B&W) Ch. 1 (K)	
(2)	Week 1: Nov 3	Demand	Ch. 2.2, 2.3, 2.5 (B&B) Ch. 2.1, 2.4 (B&W)	Problem set 1
(3)	Week 2 : Nov 7	Demand + Monopoly	Ch. 11.1-3, 11.5-6 pp. 159-161 (B&B) Ch. 9.1-9.2, 17.1 -17.5 pp.178-181 (B&W)	Problem set 2
(4)	Week 2: Nov 10	Price Schemes	Ch. 12.1-12.5 (B&B) Ch. 18 (B&W) Ch. 7 (K)	Problem set 3
(5)	Week 3: Nov 14	Roxy case and Example on Porsche	Ch. 6 (K)	Problem set 4
(6)	Week 3: Nov 17	Midterm		
(7)	Week 4: Nov 21	Cost function + Production Technology	Ch. 6.1-6.2, 6.5 (B&B) Ch.7, Ch. 8.1-8.2 (B&B) Ch. 7.1-7.4 & 8.1-8.8 (B&W)	
(8)	Week 4: Nov 24	Perfect Competition	Ch. 9 (B&B) Ch. 14 (B&W)	Problem set 5
(9)	Week 5: Nov 28	Cranberries case + Government Intervention	Ch. 10 (B&B) Ch. 15 (B&W)	Problem set 6
(10)	Week 5: Dec 1	Oligopolistic Markets	Ch. 13.1-13.4 (B&B) Ch. 19.1-19.5 (B&W)	Problem set 7
(11)	Week 6: Dec 5	Oligopolistic Markets	Ch. 13.1-13.4 (B&B) Ch. 19.1-19.5 (B&W)	Problem set 8
(12)	Week 6: Dec 8	Asymmetric info. + Summary	Ch. 18 (K) Ch. 21 (B&W)	Problem set 9