Instructor  
Deniz Selman (NB 224, deniz.selman@boun.edu.tr)

Lectures  
203.3: TTTh 565 (NH301 NH301 M2230)  
203.2: TTTh 878 (NH301 M1100 M1100)

Office Hours  
By appointment.
I find that this way is more useful than setting a time which will conflict with many of your schedules, but in order for it to work you must please not hesitate to contact me for an appointment!

Grad TA  
Deniz Nemli (deniznemli@hotmail.com). Office Hours: Friday 12:00-13:00 (İB209/A).

Undergrad TAs  
Serkant Adıgüzel (serkant.adiguzel@boun.edu.tr)  
Seran Çavdar (cavdarseran@gmail.com)  
Yunus Topbaş (yunustopbas@gmail.com)

PS Schedule  
T 17.00 (NH301, Seran); W 17.00 (NB119, Yunus); Th 14.00 (İB301, Serkant).

Website  
Please visit the “courses” tab at econ.boun.edu.tr for course materials. All materials will be posted under EC 203.2.

Textbook  
Varian, Hal R., Intermediate Microeconomics: A Modern Approach, 8th edition, Norton & Co., 2010. The chapter numbers in the outline below roughly describe where in Varian to find additional reading on lecture topics, though portions of the material will be treated differently in lectures. Regardless of whether it appears in Varian, you are responsible for all material covered in lectures and problem sets.

Grading  
Quizzes (22%), Midterm Exam (32%), Final Exam (46%)
There will be several (between 7 and 10) pop quizzes during the semester. You will receive a zero for any quiz that you miss for any reason. To accommodate valid excuses for absence, your lowest two quiz grades will be dropped and the average of the others will constitute the quiz portion of your grade. Only quizzes taken during the section for which you are registered will be graded.

MAKE-UP POLICY: Only students who contact me before an exam and provide a written excuse will be eligible to take a make-up exam.

Problem Sets  
There will be approximately 10 problem sets assigned during the semester. While these problem sets will not be graded, working on them diligently is the most effective way to prepare you for both exams and quizzes. I recommend you first work on your own and then meet to discuss the problems in groups. In addition, TAs will review questions from past problem sets in weekly problem sessions.

Exam Schedule  
Midterm: Monday 12 November at 17:00.  
Final Exam: To be determined by Registrar.

Course Outline

Demand Theory & Exchange

DEMAND THEORY
- Rational Choice & Consumer Preferences: Ch. 3
- Representing Preferences: The Utility Function: Ch. 4-5
- Budget Constraint: Ch. 2-3
- Utility Maximization: The Consumer Problem: Ch. 5-6

Substitution & Lagrange Multiplier Methods:
- Individual Demand: Ch. 6
- Compensated (Hicksian) Demand: Ch. 8
- Income & Substitution Effects: Ch. 8
- Slutsky Equation (using Hicksian Demand): Ch. 8
- Market Demand: Ch. 15
- Revealed Preferences: Ch. 7
- Decision Making Under Uncertainty: Ch. 12

EFFICIENCY & EXCHANGE
- Endowments, Buying and Selling: Ch. 9
- Slutsky Equations with Endowments: Ch. 9
- (Pareto) Efficiency: Ch. 16 & 31
- Edgeworth-Walras Market Exchange: Ch. 31
- Competitive Equilibrium: Ch. 31
- First & Second Basic Welfare Theorems: Ch. 31

Supply Theory & Market Equilibrium

SUPPLY THEORY
- Technology & Production Function: Ch. 18
- Competitive Profit Maximization: The Firm Problem: Ch. 19
- Profit Function: Ch. 19
- Returns to Scale: Ch. 20
- Law of Input Demand and Output Supply: Ch. 20
- Short vs. Long Run Profit Maximization: Ch. 20

MARKET EQUILIBRIUM
- Cost Minimization: Ch. 20
- Cost Curves: Ch. 21
- Two-Step Profit Maximization (via Output Choice): Ch. 22
- Firm Supply: Ch. 22
- Medium & Long Run Firm Supply: Ch. 22
- Industry Supply: Ch. 23

MARKET EQUILIBRIUM
- Medium & Long Run Market Equilibrium: Ch. 23
- Consumer & Producer Surplus: Ch. 14 & 21

EFFICIENCY REVISITED
- Monopoly & Deadweight Loss: Ch. 24
- Some Examples of Market Failure: Ch. 34 & 36