BOSTON COLLEGE
DEPARTMENT OF ECONOMICS

EC2201.06, Fall 2025 | Ira Lilian Abraham
MWF 3-3:50pm, G 202 | Contact: via ira.abraham@bc.edu
Course site: Canvas | Office: Maloney 380 M

MICROECONOMIC THEORY
SYLLABUS
(Updated 11/01/2026)

This course develops a theoretical framework with which to analyze consumer and producer behavior. This analysis is then employed to investigate the determination of prices and output in various market situations, the implications for welfare, and the appropriate role for government intervention.

Yes, economics tends to focus on monetary transactions, when a good is bought by a consumer from a seller. But economics is concerned with all aspects of human interaction, not just monetary exchanges – in fact, there may be no broader academic field than economics. In microeconomics, we closely examine those individual interactions, taking into account the incentives faced by both sides, and how external factors may influence those incentives.

Course goals:

1) To understand how consumers make decisions over how to use their scarce resources (money, time, effort, knowledge, etc.) to gain utility, and how the vagaries of human behavior sometimes stand in their way.
2) To model how producers, with and without market power, choose their output level, thereby yielding supply curves that interact with consumers' demand curves to establish a market equilibrium.
3) To analyze market failures: those situations where – because of uncertainty or incomplete information – the market fails to reach equilibrium, or where the equilibrium is not socially desirable.
4) To apply our understanding of these models, and their shortcomings, to one of the most important and universal market experiences: the interaction of employer and employee.
5) To effectively communicate our analyses of these markets to non-economists.

This course asks a lot of you: math skills (including comfort with calculus); storytelling ability; creative and persuasive writing; knowing when – and when not – to trust your intuition; and even a little bit of artistry. You will not have to memorize formulas – those will be provided to you on exams – but you do need to recognize how to apply the analytical tools we learn, both in this class and in your subsequent economics (and other social science) electives.

Office Hours:
Mon, Fri 1:30-2:30 pm: Maloney 380M

Textbook
There is no required textbook; all of the necessary course material will be available on the course's Canvas site (Powerpoint slides, in-class handouts, problem sets and solutions, etc.). However, you may find that you want to read more about the material we cover in class, either for your own enrichment or to fill gaps in your understanding. There are a number of textbooks in reserve at O'Neill, including Varian's *Intermediate Microeconomics: A Modern Approach*, Perloff's *Microeconomics*, Frank's *Microeconomics and Behavior*, and a number of older volumes. Some of these resources can be found using the Course Resources link on the left margin of the course Canvas site.

I would like to thank Matthew Rutledge for sharing his teaching material with me. The slides are borrowed from his course.

Course Requirements and Grading

Midterm 1	25 %
Midterm 2 (cumulative)	25 %
Final exam (cumulative)	30 %
Problem sets (6)	20 %

Exams
Each exam will build on previous analytical tools and material.

You will take the exam individually during class time (on October 3 and November 14). I will provide a formula sheet for each exam; I would strongly encourage you to familiarize yourself with the formula sheet in advance (it will be posted to Canvas). The final exam will be on Friday, May 7, 12.30-3.30 pm. As with the midterms, you will have access to a formula sheet to reduce the need for memorization.

Makeup exams will not be administered. In case you must miss an exam for medical or personal reasons, the weight assigned to that exam will be distributed over the remaining exams. You must email me well in advance of the exam date should you need to miss an exam for any reason.

Problem Sets
There are six problem sets. These are comprehensive questions to test the understanding of the concepts. Please write clear answers including steps so that you can get partial marks even if the final answer is not correct. Please label all the graphs clearly in the solution.

Submitting Papers/Assignments
All written assignments are to be submitted through Canvas no later than 11:59 PM on the due date.

Late Work Submission Policies
Written assignments submitted after 11:59 PM on the paper due date will lose 10 points per day. This will continue for three days. After three days the paper will no longer be accepted. In the event of illness, emergency, other extenuating circumstances, or school-sanctioned events, please contact me as soon as possible, providing written verification of the excused absence.

Makeup/late papers must be completed no later than 5 days after the original assignment due date. There are no exceptions to this policy.

Class Participation and Engagement
Class discussion – in all forms – is integral to making this course interesting, informative, and enjoyable.

- I hope you feel comfortable speaking up in class, whether it's because you have a question – which others likely have too – or an example from real life.

Examination Make-up Policy
The following policy will be strictly enforced:

1) You must obtain my approval before the exam or you will be penalized.
2) There will be no make-up exams for either midterm. If you miss a midterm exam, the weight assigned to that exam will be distributed over the remaining exams.

Academic Integrity
Any exam or problem set submitted by you and that bears your name is presumed to be your own original work that has not previously been submitted for credit in another course. Any words or ideas from others – including from artificial intelligence software such as ChatGPT – that are not properly attributed will be considered plagiarism and will be referred to Boston College's Committee on Academic Integrity and may result in failure of the course. See BC's website on academic integrity for a full discussion of the university's policies and procedures.

Statement of Copyright
All course material, including class recordings, are the intellectual property of the faculty and they may not be shared or reproduced without the explicit written consent of the faculty member.

Accommodations for Learning Disabilities
If you have a learning disability, you are strongly encouraged to request accommodations for this course. Exams are lengthy and have some time pressure. Please register with either Kathy Duggan (dugganka@bc.edu), Director, the Connors Family Learning Center (learning disabilities and ADHD) or Rory Stein (rory.stein@bc.edu), Assistant Dean for Students with Disabilities (all other disabilities). Advance notice and appropriate documentation are required for accommodations.

Statement of Inclusion
It is my intent that students from all diverse backgrounds and perspectives are well-served by this course, and that students' learning needs be addressed both in and out of class. I view the diversity that students bring to this class as a resource, a strength, and a benefit. It is my intent to present materials and activities that are respectful of diversity: gender, sexuality, disability, age, socio-economic status, ethnicity, race, and culture. Your suggestions are encouraged and appreciated. Please let me know of ways to improve the effectiveness of the course for you personally or for other students or groups. In addition, if any of our class meetings conflict with your religious events, please let me know so that we can make arrangements for you.

SYLLABUS
(Subject to change)

1/12	Introduction: Life on the Margins; Math Review
1/14	⬍
1/16	Utility and Preferences
1/19	**No class-Martin Luther King, Jr. Day**
1/21	Budget Constraints and the Consumer's Optimum
1/23	⬍
1/26	Special Cases of Utility Maximization
1/28	Comparative Statics: Income
1/30	⬍ *Problem set 1 due*
2/2	Comparative Statics: Prices
2/4	Individual Demand Curves
2/6	⬍
2/9	Market Demand Curves and Elasticity
2/11	Elasticity and Exchange
2/13	⬍
2/16	Behavioral Economics, *Problem Set 2 due*
2/18	⬍
2/20	Midterm I instructions
2/23	**MIDTERM #1**
2/25	Production
2/27	⬍
3/2	**No class-spring break**
3/4	**No class-spring break**
3/6	**No class-spring break**
3/9	Costs
3/11	⬍
3/13	Profit Maximization
3/16	⬍ *Problem Set 3 due*
3/18	Supply Curves
3/20	⬍
3/23	Competitive Equilibrium and Welfare
3/25	⬍
3/27	Price Controls, Taxes, and Subsidies,(Midterm 2 instructions) *Problem Set 4 due*
3/30	**MIDTERM #2**
4/1	Monopoly and Price Discrimination
4/3	**No class-Good Friday**
4/6	**No class-Easter Monday**
4/8	⬍
4/10	Game Theory
4/13	⬍
4/15	Imperfect Competition
4/17	⬍ *Problem Set 5 due*

4/20	**No class-Patriot's Day**
4/21 Tuesday	Externality and Public Goods
4/22	⬍
4/24	Uncertainty and Insurance
4/27	⬍
4/29	*Problem Set 6 due*
5/1	**No class**
5/4	**No class**
5/7	**Final Exam-12:30-3:30pm**

⬍ This means that the two topics (on top of the arrow and below the arrow) will be covered in 3 classes.