



Academic Year 2019-2020  
Syllabus  
Microeconomics  
CFU 6  
Prof. Gustavo Piga

### Course Description

The course will touch upon the basic elements of consumer choice and production theory in the context of the neo-classical theory of value and costs within the market regimes of perfect competition and monopoly. Reference to basic theorems of welfare in society will be made, without avoiding the several critiques that are raised to the so-called growing “market society”.

### Teaching Method

A wide variety of formal and practical teaching techniques and material will be used, with a strong emphasis on the interaction between teachers and students in class.

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### Schedule of Topics

<b>Topic 1</b>	Thinking as an economist: supply and demand. Free or coercing markets? (1, 2)
<b>Topic 2</b>	The consumer's (often) rational choice (3)
<b>Topic 3</b>	Individual and market demand (3)
<b>Topic 4</b>	Consumer's surplus and market-driven well-being (4)
<b>Topic 5</b>	The firm and its goals (9)
<b>Topic 6</b>	Technology (9)
<b>Topic 7</b>	Cost functions (9)
<b>Topic 8</b>	Perfect competition (7, 8, 9)
<b>Topic 9</b>	Monopoly (10)
<b>Topic 10</b>	Efficiency, Pareto and Marshall welfare criteria (15, 16)

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### Textbook and Materials

Required reading for group-work:

- *What Money Can't Buy: The Moral Limits of Markets*, by Michael Sandel, Penguin Books, 2013.

Required support for Prof. Piga's lectures (number of chapters in the schedule):

[http://www.daviddfriedman.com/Academic/Price\\_Theory/PThy\\_ToC.html](http://www.daviddfriedman.com/Academic/Price_Theory/PThy_ToC.html) or, in alternative, lecture material handed over on line.

T.A. sessions material will be put on line.

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## Assessment

### Attending students

There are 3 proofs of exam. To access the fourth proof, the oral exam, one needs to have passed the first two proofs with an average of at least 16/30.

30% of the assessment will be based on a 2 pages paper, produced by a group of 10-11 students (11 groups) where the team membership is pre-assigned by the professor. Students will choose a current issue on their own and will discuss it with a perspective they found in Sandel's book, by explicitly quoting at the beginning one passage (no more than 3 lines) of the book. The discussion could be used to confute or reinforce a point made by Prof. Sandel with the help of the new issue selected by the group. **The paper has to be turned in by no later than May 15 2020 with all 10-11 signatures in it, otherwise points assigned will be 0 to all of the 10-11 students.**

30% of the assessment will be based on a mid-term oral exam in mid-semester. 40% of the assessment will be based on a second oral exam at the end of the course.

The pre final oral grade is a simple average of the 2 grades (midterm and paper) rounded above for averages above .5.

In the mandatory oral exam of 30 minutes the student will be able to raise his/her grade by at most 2 points and lose at most 5 points. This implies that students that reach to the final oral exam with a grade below 15.5 are failed. Grades for each pre final oral proof go from 0 to 30, so a student is not necessarily failed if he/she obtains less than 15.5/30 in one of the two pre final oral proofs.

The oral exam can take place also in the second round ("appello") without losing the grade obtained through first oral and paper. The grade is lost if the student postpones the final oral to the September round ("appello").

If the attending student turns down the grade after the final oral of the first/second round ("appello") or fails to pass he/she becomes a non-attending student for the successive round/rounds of exams ("appelli").

**Non-attending students** (students with less than 80% of presence in class or that have turned down the attending student grade or failed the attending student evaluation) will take a final oral exam of 1 hour on the program underlined in Prof. Friedman's links and on-line material.

### Office hours

Professor Piga will receive students by appointment via mail:

[gustavo.piga@uniroma2.it](mailto:gustavo.piga@uniroma2.it)

The T.A. is : Dr. Luisa Lorè

[luisa.lore@alumni.uniroma2.eu](mailto:luisa.lore@alumni.uniroma2.eu)

**NOTE: Notice that attendance is required from the very first lesson and you need to attend at least 80% of the course to be considered an attending student.**