

m or by appointment

Class time and location: TR 12-30-1.45p m, GUGG 205

Class website: *CULearn*; see <https://culearn.colorado.edu/>

Personal website: <http://www.colorado.edu/Economics/people/faculty/savage.html>

### **Course Description**

Topics in Microeconomics develops and applies analytical techniques used by economists to examine decision making with inter-dependence, uncertainty and asymmetric information. The course comprises four parts. Part I reviews mathematical concepts. Part II examines risk and information in the context of utility maximization. Part III investigates problems with imperfect information such as adverse selection and moral hazard. Part IV examines topics in law and economics.

### **Objectives**

Develop the economic tools learned in *ECON 3070 Intermediate Microeconomic Theory* to understand how agents make optimal decisions when facing uncertainty and asymmetric information.

Use economic tools to gain greater understanding of the economics of finance and insurance markets, where risk and imperfect information play a key role.

Become comfortable using algebra, calculus and diagrams to develop models that explain microeconomic questions.

### **Prerequisites**

Available to students who have completed *ECON 3070 Intermediate Microeconomic Theory*. Completion of *ECON 4808 Introduction to Mathematical Economics*, or the equivalent, is desirable. Please note that the course meets a requirement for The Actuarial

*Microeconomics*, by David Besanko and Ronald Braeutigam, John Wiley

grade. Please take the time to clearly and neatly write out mathematical and graphical answers. Basic requirements for presentation include: name on first page; staple pages; place page numbers on each page; clearly title and label any graphs, tables, etc.; and ensure mathematical notation is clearly legible and readable. Obviously, a word document helps to ensure neat presentation, but it is not necessary.

The mid-term and final examination will consist of short-answer and problem solving questions similar to homework questions and class applications.

There will be no make-up homework assignments or mid-term examination unless there is a proven emergency or other unusual circumstances that have been discussed with the instructor prior to submission/completion dates. If you are aware of any problems that may hinder your performance in the class please discuss with the instructor sooner than later. Any student that misses the mid-term examination due to proven emergency or other circumstances may have their final exam re-weighted with instructor approval.

The final examination is scheduled for Wednesday, May 5, 1.30-4pm. See the CU calendar at [http://registrar.colorado.edu/calendar/exam\\_sched\\_spring10.html](http://registrar.colorado.edu/calendar/exam_sched_spring10.html).

#### Important dates for assessment

|          |                   |
|----------|-------------------|
| Feb 9    | Homework 1        |
| Feb 16   | Mid-term exam I   |
| Feb 23   | Homework 2        |
| Mar 9    | Homework 3        |
| Mar 16   | Mid-term exam II  |
| April 6  | Homework 4        |
| April 20 | Homework 5        |
| May 5    | Final examination |

#### Campus policies

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at

(ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-725-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>.

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reasonable accommodations. The syllabus statements and answers to Frequently Asked Questions can be found at <http://www.colorado.edu/disabilityservices>.

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please indicate by email, near the beginning of the semester, if there is a conflict. See full details at [http://www.colorado.edu/policies/fac\\_relig.html](http://www.colorado.edu/policies/fac_relig.html).

**Class schedule, lectures, homework etc.**

Proposed topics are provided in the t

