COLLOQUIUM IN ADVANCED
MICROECONOMICS
(ECON 5602)
Fall 2012

Professor F. S. Lee
Office: Manheim Hall Room 202D
Office Hours: MW 10.00-11.00am
or by appt.
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Tel.: 816-235-2543

Lectures: Wednesday, 7.00 – 9.45, Royall Hall 212

Main Texts: M. Lavoie, L.-P. Rochon, M. Seccareccia, Money and Macrodynamics
N. Fligstein, The Architecture of Markets.
S. Fabiani et. al., Pricing Decisions in the Euro Area
F. Lee (ed.), Social, Methods, and Microeconomics: Contributions to Doing Economics Better
F. Lee (ed.), Social Provisioning, Embeddedness, and Modeling the Economy

Supplemental Texts:

R. P. F. Holt and S. Pressman, Empirical Post Keynesian Economics
H. Bortis, Institutions, Behaviour and Economic Theory

Problems: Problem sets will be distributed.

Assessment: A set essay of 4,000 words typed. It is due on September 19, 2012. It is worth 25% of your grade.
A set essay of 5,000 words, typed. It is due on October 24, 2012. It is worth 25% of your grade.
A set essay of 5,000 words, typed. It is due on November 28, 2012. It is worth 25% of your grade.
Final exam worth 25% of your final grade – the exam is on Wednesday December 12, 2012, from 8.00 – 10.00pm

Announcement: No class on December 5, 2012—to be schedule for another day.

Course Description: The course covers heterodox microeconomic theory. It introduces the student to the historical background and methodology of the theory and then deals with the business enterprise, production and costs, pricing and prices, industry and market, reproduction of the business enterprise, consumer, industrial and government demand, market price and market governance, trade associations, price leadership, government regulation, and the microfoundations of heterodox macroeconomics. The course will also introduce the student to the heterodox disaggregated price-output model of the economy.
"This link will direct you to essential information regarding university policies, rules, and resources http://cas.umkc.edu/student-resources.asp"

LECTURE AND READING OUTLINE

“Well, in our country, “ said Alice, still panting a little, “you’d generally get somewhere else—if you ran very fast for a long time....” “A slow sort of country!” said the Queen. “Now here, you see, it takes all the running you can do to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!”

Through the Looking-Glass

I. The Making of Heterodox Microeconomics

A. Heterodox Economics

3. Fullbrook, Ontology and Economics: Tony Lawson and His Critics, ch. 5-6.

B. Methodology of Heterodox Economics


II. Structure, Agency, and Modeling the Economy


III. The Business Enterprise: Production, Costs, and Pricing

A. Decision-Making and the Acting Enterprise


B. Structure of Production and Costs


C. Pricing and Prices


IV. The Business Enterprise: Investment, Output, and Employment

A. Investment


**B. Production and Employment**


**C. Wages, Salaries, and Dividends**


**V. Markets and Demand for the Social Product**

**A. Market, Industry, and the Social Provisioning Process**


**B. Demand for the Social Product**


C. Structure of Market Demand and the Market Price

D. Competition, Market Power, and the Going Market Price

VI. Competition, the Market Price, and Market Governance

A. Market Governance: Controlling Instability Through Regulating Markets


B. Private Market Governance and the Market Price: Trade Associations, Price Leadership, and other forms of Private Collective Activities


VII. Microeconomics and the Social Provisioning Process

A. Microeconomics and Modeling the Going Economy


B. Model of the Going Economy and the Social Provisioning Process


VIII. Social Provisioning and Corporate Capitalism

and Sociology, 69.3: 936-982.