



COURSE INFORMATION

<p>Course Title: ECON301 Intermediate Microeconomics</p>	<p>Semester: July Session, 2020</p>
<p>CLASS HOURS: Monday through Friday, 180 minutes each day, for three weeks. At the end of each week, there will be a one-hour discussion session; the instructor will also be available by appointment.</p> <p>Discussion Section : One hour each week.</p> <p>Field Trip: None</p>	<p>CREDITS(s): 3</p>

OVERVIEW

This course is designed as an intermediate microeconomic theory class. Knowledge of basic concepts taught in the principles of microeconomics is assumed, and new analytical methods will be taught in order to analyze individual decision making under some constraints. We will examine consumer and firm optimization problems, the general and partial equilibrium model, imperfect competition models, some fundamentals of game theory, risk, and asymmetric information. Most topics will contain both theoretical derivations and real-life applications.

Prerequisites: This course presumes that students successfully passed both principles of microeconomics and principles of macroeconomics, as well as at least calculus of a single variable. It is not necessary for students to take multi-variable calculus before this course. Students who have not met these prerequisites may find the materials challenging and difficult. If students want to take this course without fulfilling the advised prerequisites, they are strongly advised to take extra efforts to make up for a lack of preparation. Of course, we will review the mathematical tools that we are going to use, but some prior basic understanding of functions and derivatives is necessary.

LEARNING OUTCOME

After successfully completing this course you should be able to:

- Understand and know how to use microeconomic terminology.
- Know how to use microeconomic principles and diagrams to understand and explain economic events and other economic phenomena.
- Apply the opportunity cost of what is chosen in real-life decision making.

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- Know how individual decision makers and firms make themselves as well off as possible under a condition of scarcity.
- Solve optimization problems using calculus.
- Understand how prices inform decision makers of which goods to produce, how to produce them, and who gets them.
- Use economic reasoning to explain optimal choices made by individuals and firms.
- Understand how government policies affect the allocation of limited resources in a market economy.
- Understand how market structure affects the allocation of resources and distinguish market outcomes among different markets.
- Understand how people make a decision under uncertainty.
 - Understand how asymmetric information can lead to inefficiency and how to solve some problems arising from it.

LEARNING RESOURCES

Required textbooks:

Jeffrey M. Perloff. *Microeconomics: Theory and Applications with Calculus*, 4th Edition. New York: Pearson, 2016.

ISBN-13: 978-01334167381

If you find a used copy of a previous edition, that will be perfectly fine. You do **NOT need to purchase any online package.

WEEKLY SCHEDULE

Week	Day	Topic	Reading
1	1	Explain the syllabus Chap. 2: Supply and Demand <i>Applications: (i) The Demand Elasticities for Google Play and Apple Apps</i> <i>(ii) Venezuelan Price Ceiling and Shortage</i>	Chapter 2
	2	Chap. 3: Consumer's Constrained Choice <i>Application: Utility Maximization for Recorded Tracks and Live Music</i> Chap. 4: Demand <i>Application: Fast-Food Engel Curve</i>	Chapters 3&4

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		Homework #1: Due on Friday	
	3	Chap. 5: Consumer Welfare and Policy Analysis <i>Application: Working After Winning the Lottery</i>	Chapter 5
	4	Chap. 5: Consumer Welfare and Policy Analysis <i>Application: Food Stamps vs. Cash</i> Chap. 6: Firms and Production	Chapter 5&6
	5	Chap. 6: Firms and Production <i>Applications: (i) Chinese State-Owned Enterprises (ii) Returns to Scale in Various Industries</i> Chap. 7: Costs Homework #2: Due on Monday	Chapter 6&7
2	1	Chap. 7: Costs <i>Applications: (i) The Opportunity Cost of an MBA (ii) The Sharing Economy and the Short Run</i> Chap. 8: Competitive Firms and Markets	Chapter 7&8
	2	Chap. 8: Competitive Firms and Markets <i>Application: Entry and exit of Solar Power Firms</i> Review the midterm exam materials!	Chapter 8
	3	In-class Midterm Exam	
	4	Chap. 9: Properties and Applications of the Competitive Model <i>Applications: (i) The Deadweight Loss of Christmas Presents (ii) How Big Are Farm Subsidies and Who gets Them?</i> Chap. 10: General Equilibrium and Economic Welfare Homework #3: Due on Monday	Chapter 9
	5	Chap. 10: General Equilibrium and Economic Welfare Chap. 11: Monopoly and Monopsony	Chapter 10

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		<i>Applications: (i) Apple's iPad (ii) Movie Studios Attacked by 3D Printers</i>	
3	1	Chap. 12: Pricing and Advertising <i>Applications: (i) Google Uses Bidding for Ads to Price Discrimination (ii) Pricing iTunes</i> Chap. 13: Game Theory	Chapter 12&13
	2	Chap. 13: Game Theory <i>Applications: (i) Strategic Advertising (ii) Bidder's Curse</i> Chap. 14: Oligopoly and Monopolistic Competition	Chapter 13&14
	3	Chap. 14: Oligopoly and Monopolistic Competition <i>Application: The Apple-Google-Intel-Intuit-Adobe-Lucasfilms-Pixar Wage Cartel</i> Chap. 16: Uncertainty	Chapter 14&16
	4	Chap. 16: Uncertainty <i>Application: Loss Aversion Contracts</i> Chap. 18: Asymmetric Information Review the final exam materials!	Chapter 16&18
	5	In-class Final Exam	

ASSESSMENT

Assessment Task	Weighting
Attendance and Participation	10%
Homework Assignments	10%
Midterm	40%
Final Exam	40%
Total	100%

DETAILS ON GRADE COMPONENTS

Lectures, Homework, Class Attendance, and Participation

Class lectures will be a mix of traditional lectures and time spent working together on

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applications and exercises. To free up more time for working through problems together, students should read the relevant chapter before coming to the class. Discussion sessions will be used to give students an opportunity to clarify their understanding of the topics from the lecture and textbook.

If students miss more than 5 classes and did not receive permissions from the instructor, they will automatically get a letter grade of F for this class, which is a failing grade. If a student has to miss class due to some personal emergencies or family issues, he/she should inform TA or the instructor to get a permission immediately. And students are held responsible for the class materials and homework for the class they will miss.

Class participation is highly encouraged by the instructor, and the instructor will provide opportunities for the students to participate during class period. Students should read all assigned reading materials in order to be well prepared for discussion.

Assignments are designed to give students a hands-on perspective on the class material as well as practices for exam. The best way to learn economics is practice as many questions using the tools learned in class. Students are allowed to collaborate with other classmates on assignments. However, each student must submit his or her own answers.

Examinations:

There will 2 exams for this class, one midterm and one final exam, which is 80% of the total class grade. The instructor will provide practice questions and hold review session prior to each exam to help students prepare.

Course Grading:

Upon completion of this course, you receive a final grade. A final grade is a letter grade that carries with it a numerical value, as outlined below.

Grade	Mark
A	80-100
B	70-79
C	60-69
D	50-59
E	0-49

To pass this subject, students are required to obtain Grade C or above in order to satisfy

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all the intended learning outcomes.

CLASSROOM ETHICS & COURSE POLICIES

Being respectful of others' opinions, values and culture

Cell phones are only permitted when the usage is related to the course. Absolutely **NO TEXTING** during class will be tolerated. If you have an emergency situation and you must be able to be reached, set the phone to vibrate and leave the room immediately when it goes off.

Any student with a documented disability needing academic adjustments or accommodations should notify the instructor or the program administrator before the start of the program, so such an arrangement will be made accordingly.

Any student who anticipates a schedule conflict because of religious reasons should make arrangements within two weeks of the start of class.

Academic misconduct

Please follow the guideline of the university policy. Academic dishonesty or misconduct will not be tolerated and may result in disciplinary action including a grade F for the course. Work submitted must be the original work of the student. Original work may include the words and ideas of others, but the source of these words and ideas must be indicated in a manner consistent with an academically recognized form, style, and citation manual. Resubmission of work previously presented in another course is prohibited.

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