

ECN328: INTERMEDIATE MICROECONOMICS (3 credit hours)

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Blog: <http://microecon.blog.com>

Semesters: Fall, 2009

Class hours: Thu 17:00-18:15; Fri 10:30-11:45

Office hours: Thu 14:30-15:30; Fri 8:30-9:00

DESCRIPTION: In this course, we study microeconomic theory at the intermediate level, based on introductory microeconomics. We will discuss how consumers and firms make their choices in an optimal fashion, leading to demand and supply in the market, where the efficient allocation of resources can be achieved under certain conditions. Starting with a brief review on introductory microeconomics, we will rigorously analyze the behavior of the consumer and the firm, market demand and supply, market efficiency and optimality, and externalities and public goods by using graphical as well as mathematical approaches.

OBJECTIVES:

There are two main objectives to be achieved in this course. First, the economic way of thinking, especially in terms of competition and optimality, is to be nurtured in order to understand and discuss various economic problems and policy issues in the real world as logically and intelligently as possible. Second, preparation will be made for those students who wish to study further advanced economic theory at the graduate level.

STUDY MATERIALS:

<Textbook>

1) Varian, Hal R., Intermediate Microeconomics: A Modern Approach, 7th Edition (International Student Edition), W.W. Norton & Co., 2006, ISBN: 0-393-92702-4

-- This book is used as the main textbook, after reviewing basic concepts in the first part (Basics) of the course.

<Other references>

2) Krugman, Paul and Robin Wells, Microeconomics (Paperback Edition), Worth Publishers, 2005, ISBN: 0-7167-5229-8 (EAN: 9780716752295)

-- This introductory book is not mandatory, but will be useful in understanding the first part (Basics) of the course.

3) Varian, Hal R. and Theodore C. Bergstrom. Workouts in Intermediate Microeconomics, 7th Edition. W.W. Norton & Co., 2006. (ISBN 0-393-92881-0)

-- This study guide is not mandatory, but will be helpful in understanding difficult concepts and in preparing for homework assignments and exams.

<Other materials>

4) Handouts: Various handout materials will be given in the first part (Basics) of this course.

5) The blog (<http://microecon.blog.com/>) will be used regularly to post various materials, references, announcements, etc. for interactive purposes.

6) Websites: <http://economics.about.com/od/economicsglossary/> for the Glossary of Economics Terms

Other useful websites are listed in the textbooks listed above.

ACADEMIC PREPARATION:

Before enrolling in this course, students should have successfully completed, at a minimum, college algebra and principles of (introductory) microeconomics, or their equivalents.

ASSESSMENT:

Student achievement of the stated course objectives will be measured in terms of student performance in the following three areas: (i) Midterm Examination (30%), (ii) Final Examination (40%), (iii) Class participation (20%) and (iv) Homework and other assignments (10%). There may be some opportunities to improve your evaluation by completing extra assignments.

POLICIES:

All exams and assignments must be completed to receive a passing grade for this course. Acts of plagiarism or other forms academic dishonesty will be dealt with harshly. See <http://en.wikipedia.org/wiki/Plagiarism> for more information.

SCHEDULE:

- 9/3: Introduction: Merits of Learning Economics
- 9/4: Basic Principles of Economics
- 9/10: Economic Principles Reexamined
- 9/11: Supply-Demand Model
- 9/17: Efficiency and Equity; Varian: Chapter 1 – The Market
- 9/18: Chapter 2 – Budget Constraint
- 9/24: Chapter 3 – Preferences & Chapter 4 – Utility
- 9/25: Chapter 5 – Choice
- 10/1: Chapter 6 – Demand
- 10/2: Chapter 8 – Slutsky Equation
- 10/8: Chapter 14 – Consumer's Surplus

10/9: Chapter 15 – Market Demand
10/15: “Online Class Day” (preparing for midterm exam)
10/16: Monday Class Day (No class)
10/22: Midterm Examination
10/23: Chapter 10 – Intertemporal Choice
10/29: Chapter 11 – Asset Markets
10/30: Chapter 30 – Behavioral Economics
11/5: Chapter 19 – Profit Maximization
11/6: Chapter 21 – Cost Curves
11/12: Chapter 22 – Firm Supply & Chapter 23 – Industry Supply
11/13: Chapter 16 – Equilibrium
11/19: Chapter 24 – Monopoly
11/20: Chapter 27 – Oligopoly
11/26: Chapter 28 – Game Theory
11/27: Chapter 31 – Exchange
12/3: Chapter 33 – Welfare
12/4: Tuesday Class Day (No class)
12/10: Chapter 34 – Externalities
12/11: Chapter 36 – Public Goods
12/17: Review
12/18: Final Examination