



**University of International Business and Economics
International Summer School**

ECON 301 Intermediate Microeconomics

Term: October 26th - November 20th, 2020

Instructor: Xuefeng Pan

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Class Hours: Monday through Friday, 120 minutes each day(2,400 minutes in total)

Office Hours: TBD

Discussion Session: TBD

Total Contact Hours: 64 contact hours (45 minutes each)

Location: WEB

Credit: 4 units

Course Description:

Microeconomic theory concentrates on the study of choices made by individual consumers and firms and their implications for the allocation of resources and the distribution of income in an economy. We begin by studying the optimizing behavior of households in a variety of settings: buying goods and services, saving, and labor supply decisions. Next, we study the behavior of firms in various kinds of markets, focusing on the outcomes of competitive and noncompetitive markets and emphasizing the relationship between market structure and market performance. Additional topics may include: welfare criteria and implications; introduction to general equilibrium analysis; game theory; causes and consequences of market failure, and government policy responses to market failures. A significant part of our work will involve development of the tools and methods necessary to examine the situations described above.

Prerequisite:

- ✧ Introductory Microeconomics
- ✧ One semester of college-level calculus

Note: Students who do not know elementary calculus may have difficult time in some of the lectures. Should you have such a situation, please talk to the Instructor for help.

Course Goals:

A student who satisfactorily completes this course should:

- ✧ Become familiar with the standard tools of microeconomic analysis.
- ✧ Be able to apply these tools in a variety of situations.

- ✧ Understand the concepts of allocative and productive efficiency.
- ✧ Understand the implications of different market structures.

Textbooks:

- ✧ Required textbook: *Intermediate Microeconomics: A Modern Approach* by Hall R. Varian, 9th edition.
- ✧ Recommended textbook: *Microeconomics: Theory and Applications with Calculus* by Jeffrey M. Perloff (Perloff), 5th edition, Pearson Addison Wesley, 2020.

Note: lecture slides and course outline are made based on the required textbook.

Assignments, Quizzes and Exam:

Your final class grade will be determined based on your performances on the weekly assignments, the weekly quizzes and the final exam, with the following weights:

- ✧ Assignments 20%, there is a total of four weekly assignments, with 5% on each.
- ✧ Quizzes 30%, there is a total of three quizzes that will take place sequentially on every Friday except November 20th, and each quiz comes with a 10%.
- ✧ Final Exam 50%, scheduled on November 20th, cumulative and covers all chapters.

Assignments: an assignment will be posted on every Monday and you are supposed to submit it before or on the specified due date. The purpose of the assignment is to keep you updated about key concepts introduced in the lecture during the week and also to prepare you for the quiz of that week. Your work on the assignments will be reviewed and will be rewarded with generous grading as long as serious efforts are shown.

Quizzes: there will be a weekly quiz on every Friday except November 20th. The quiz itself functions as the first session of the lecture on Friday and after everyone finishes the quiz, I will walk you through the solution at the second session of the lecture. The questions in the quiz may look similar to those in the assignment of the week.

Final exam: firmly scheduled on November 20th and covers all chapters of the class. Questions in both the assignments and the quizzes will be reflected in the final exam, though not exactly in the same form. Similar to the assignments and quizzes, the final exam will include three sections: Multiple Choice, Short-Answer and Calculation Questions.

Technical requirements:

- ✧ Have proper accessibility to internet. Since the lectures are conducted in the way of online teaching, it is critical that you have stable connect to internet. Lecture materials, including lecture slides, assignments, quizzes and the final exam, will be sent over the internet to the

platform Blackboard. Lecture recordings can be downloaded from a separate online disk to be announced.

- ✧ Have quiet and independent place for quizzes and final exam. All students will attend the quizzes and the final exam at the same time but at their own places. Hence, besides having stable internet access, it is also critical to have a quiet place where you can work on the quizzes and exam. Also, to ensure a fair quiz/exam, we might need students to turn on their web cameras during the quiz/exam, so you need an independent place for that.
- ✧ Contact the TA and/or the Instructor immediately once you encounter any unexpected technical issues that most likely stop you from submitting your quizzes and/or exam on time.

When in doubt about any policy, please do ask the TA and/or the Instructor.

Grading Scale:

Assignments and examinations will be graded according to the following grade scale:

A	90-100	C+	72-74
A-	85-89	C	68-71
B+	82-84	C-	64-67
B	78-81	D	60-63
B-	75-77	F	below 60

Grading Policies:

- ✧ No make-up exam is given.
- ✧ No late homework submission and no make-up homework.
- ✧ No make-up quizzes. The weight of any quiz that you miss will go to your final exam.

Ground Rules:

- ✧ Read the lecture slides and watch the recording of the lecture on a daily basis.
- ✧ Work seriously on the assignments and submit them on time.
- ✧ Attend all quizzes and the final exam on specified dates and time.
- ✧ Commit no acts or attempts of cheating on any assignment, quiz and the exam.
- ✧ Comply with all academic rules of UIBE and those of your home university.

Course Outline: (Chapters refer to the required textbook)

The planned schedule is subject to change as the course progresses.

Part I: Introduction

Day 1, Monday: Chapter 1. Market

Day 1, Monday: Chapter 2. Budget Constraint

Part II: Consumer Behavior

Day 1, Monday: Chapter 3. Preferences
Day 2, Tuesday: Chapter 4. Utility
Day 3, Wednesday: Chapter 5. Choice
Day 4, Thursday: Chapter 6. Demand
Day 4, Thursday: Chapter 8. Slutsky Equation
Day 5, Friday: Quiz 1 and go-over, covering Chapters 1-8

Part III: Consumer Theory and Consumer Welfare

Day 6, Monday: Chapter 10. Intertemporal Choice
Day 7, Tuesday: Chapter 12. Uncertainty
Day 8, Wednesday: Chapter 14: Consumer's Surplus
Day 9, Thursday Chapter 15. Market Demand
Day 9, Thursday: Chapter 16. Equilibrium
Day 10, Friday: Quiz 2 and go-over, covering Chapters 10-16

Part IV: Firm Theory

Day 11, Monday: Chapter 19. Technology
Day 12, Tuesday: Chapter 20. Profit Maximization
Day 13, Wednesday: Chapter 21. Cost Minimization
Day 14, Thursday: Chapter 22. Cost Curves
Day 14, Thursday: Chapter 25. Monopoly
Day 15, Friday: Chapter 28. Oligopoly
Day 15, Friday: Quiz 3 and go-over, covering Chapters 19, 20-22, 25 and 28

Part V: Topics in Microeconomic Theory

Day 16, Monday: Chapter 29. Game Theory
Day 17, Tuesday: Chapter 32. Exchange
Day 17, Tuesday: Chapter 35. Externalities
Day 18, Wednesday: Chapter 37. Public Goods, and *Review*
Day 19, Thursday: Chapter 37. Public Goods, and *Review*
Day 20, Friday: Final exam, covering all Chapters mentioned above.