

ECON 3070-050: Intermediate Microeconomic Theory

Fall 2017

Instructor: Professor Yongmin Chen

Office: Econ 112

Class Time and Location: TTH, 9:30-10:45 AM; ECON 117

Office Hours: 1:15-4:45 pm, Monday; 12:45-1:45 pm, Tuesday

Website: <http://spot.colorado.edu/~cheny/>

Course Description: Microeconomics studies the behavior of individual economic agents and their interactions. This course consists of four parts. Part 1 introduces the basics of microeconomic analysis, and serves as a quick review of some basic economic concepts. Part 2 studies consumer behavior and market demand. We will examine how a consumer may make optimal choices, how individual demands are formed, and how market demand can be derived. Part 3 discusses the firm's technologies, production functions and production costs. We shall see how firms can make the optimal input choices to minimize production costs. This lays the foundation for the study of behavior of firms under different forms of market structure. Part 4 integrates the previous materials into models of prices and outputs. We will also cover topics in game theory and business strategies, as well as discuss economic efficiency and public policy issues.

The presentation of the course is at the intermediate level. **In order to take this course, you must have passed an introductory course in economics or microeconomics. Some basic knowledge of calculus is also required.**

Course Material: The textbook is *Microeconomics, 5th edition*, by David Besanko and Ronald Braeutigam, published by John Wiley & Sons, Inc. I will indicate the required readings below.

Grading: Grades are based on homework and class participation (10%), midterm exam 1 (30%), midterm exam 2 (30%), and a final exam (30%). You are encouraged to form study groups to discuss homework and lecture materials. All exams will be in closed-book form.

How to Study effectively in this Course: Class attendance is mandatory. I suggest that you **read the assigned materials before each class**, so that you are prepared when you come to class. Take notes during class. After each class, I suggest that you **have a quick review within one day**. It's very important that you complete all homework on time. If you have questions, try to have them answered before we move on to new materials. You are encouraged to ask questions during class.

The course is arranged by topics, and each topic is usually covered over several lectures. There is a homework assignment for each topic, which is due at the beginning of the first class for the

next topic. You can start working on some problems in an assignment before I finish the topic. Below is a tentative course schedule. There can be changes to this schedule during the semester, which will be announced in class. It is your responsibility to update course information according to announcements made in class.

Course Schedule:

Topics

Readings

1. Introduction to Microeconomic Analysis

Ch 1; Ch 2.

HW 1: pp. 21-22: #1.2, 1.3, 1.9;

pp. 70-73: #2.1, 2.3, 2.5, 2.8, 2.13, 2.15, 2.16.

2. Consumer Preferences and Utility

Ch 3.

HW 2: pp. 102-104: #3.10, 3.12, 3.13, 3.15, 3.16, 3.17, 3.18, 3.21.

3. Consumer Choice

Ch 4.

HW 3: pp. 140-145: #4.1, 4.2, 4.3, 4.5, 4.6, 4.7, 4.8, 4.9, 4.18.

4. Individual and Market Demands

Ch 5

HW 4: pp. 200-203: #5.6, 5.7, 5.12, 5.18, 5.19, 5.23, 5.24.

EXAM 1: Tuesday, October 3, at normal class time.

5. Inputs and Production Functions

Ch 6.

HW 5: pp. 243-247: #6.1, 6.2, 6.5, 6.9, 6.12, 6.13, 6.15, 6.17, 6.19, 6.20.

6. The Cost of Production

Ch 7. Ch. 8

HW 6: pp. 281-284: #7.1, 7.3, 7.4, 7.5, 7.9, 7.13, 7.14, 7.20;
pp. 323-326: #8.2, 8.5, 8.6.

7. Perfectly Competitive Markets

Ch 9, Ch 10

HW 7: pp. 382-387: #9.1, 9.3, 9.6, 9.7, 9.9, 9.11, 9.15, 9.18;
HW 8: pp. 436-438: #10.1, 10.4, 10.7, 10.9, 10.13(a,b,c,d)

8. Monopoly

Ch 11 (442-478)

HW 9: pp. 485-488: #11.1, 11.2, 11.3, 11.5, 11.6, 11.10, 11.13;

EXAM 2: Tuesday, November 7, at normal class time.

8. Monopoly (continue): Capturing Surplus HW 10: pp. 527-529: #12.1, 12.2, 12.3, 12.4, 12.10	CH 12
9. Market Structure and Competition HW 11: pp. 568: #13.2, 13.4, 13.5.	Ch 13
10. Game Theory and Strategic Behavior HW 12: pp. 601-606: #14.1, 14.2, 14.3, 14.4, 14.5, 14.11, 14.12.	Ch 14
11. Risk and Information	Ch 15

FINAL EXAM: Saturday, Dec. 16, 1:30 PM; ECON 117

University Policies

Students with Disabilities

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website \(www.colorado.edu/disabilityservices/students\)](http://www.colorado.edu/disabilityservices/students). Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition or injury, see [Temporary Medical Conditions](#) under the Students tab on the Disability Services website and discuss your needs with your professor.

Religious Observances

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, Please make your requests to me within the first two weeks of the semester. See the [campus policy regarding religious observances](#) for full details.

Classroom Behavior

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, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity and gender expression, age, disability, 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. For more information, see the policies on [classroom behavior](#) and the [Student Code of Conduct](#).

Discrimination and Harassment

The University of Colorado Boulder (CU Boulder) is committed to maintaining a positive learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct, discrimination,

harassment or related retaliation against or by any employee or student. CU's Sexual Misconduct Policy prohibits sexual assault, sexual exploitation, sexual harassment, intimate partner abuse (dating or domestic violence), stalking or related retaliation. CU Boulder's Discrimination and Harassment Policy prohibits discrimination, harassment or related retaliation based on race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. Individuals who believe they have been subject to misconduct under either policy should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127. Information about the OIEC, the above referenced policies, and the campus resources available to assist individuals regarding sexual misconduct, discrimination, harassment or related retaliation can be found at the [OIEC website](#).

Academic Misconduct

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to [the academic integrity policy](#). Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, resubmission, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code Council (honor@colorado.edu; 303-735-2273). Students who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code Council as well as academic sanctions from the faculty member. Additional information regarding the academic integrity policy can be found at the [Honor Code Office website](#).