

ECON 3070-050: Intermediate Microeconomic Theory

Fall 2019

Instructor: Professor Yongmin Chen

Office: Econ 108

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

Office Hours: 3:30-5:30 PM, Tuesday; 9:30-12:00 AM, Wednesday

Website: <https://www.colorado.edu/economics/people/faculty/yongmin-chen>

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 are required to meet the course prerequisites. You must have passed an introductory course in economics or microeconomics. Some basic knowledge of calculus is also required.**

Attendance: Class attendance is mandatory. A student will be dropped administratively if he/she does not attend class regularly during the first two weeks of the semester.

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 (15%), midterm exam 1 (25%), midterm exam 2 (25%), and a final exam (35%). All exams will be in closed-book form.

How to Study Effectively in this Course: I suggest that you **read the assigned materials before each class**, so that you are prepared. Take notes during class. After each class, **have a quick review within the same 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, September 26, 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: Thursday, October 31, at normal class time.

8. Monopoly (continue): Capturing Surplus CH 12

HW 10: pp. 527-529: #12.1, 12.2, 12.3, 12.4, 12.10

9. Market Structure and Competition Ch 13

HW 11: pp. 568: #13.2, 13.4, 13.5.

10. Game Theory and Strategic Behavior Ch 14

HW 12: pp. 601-606: #14.1, 14.2, 14.3, 14.4, 14.5, 14.11, 14.12.

11. Risk and Information Ch 15

FINAL EXAM: Saturday, Dec. 14, 1:30-3:30 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](#). 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.

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 race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. 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 fostering a positive and welcoming learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct intimate partner abuse (including dating or domestic violence), stalking, protected-class discrimination or harassment by members of our community. Individuals who believe they have been subject to misconduct or retaliatory actions for reporting a

concern should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127 or cureport@colorado.edu. Information about the OIEC, university policies, [anonymous reporting](#), and the campus resources can be found on the [OIEC website](#).

Please know that faculty and instructors have a responsibility to inform OIEC when made aware of incidents of sexual misconduct, discrimination, harassment and/or related retaliation, to ensure that individuals impacted receive information about options for reporting and support resources.

Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code (honor@colorado.edu; 303-492-5550). Students who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found at the [Honor Code Office website](#).