



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

ECON 301 Intermediate Microeconomics

Term: May 24 - June 24, 2021

Instructor: Xuefeng Pan

Home Institution: University of International Business and Economics

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

Office Hours: TBD

Discussion Session: TBD

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

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.

Required Textbook:

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.

Grading Policy:

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 five weekly assignments, with 4% on each.
- ✧ Quizzes 40%, there is a total of four quizzes that will take place sequentially on every Thursday except June 24, and each quiz comes with a 10%.
- ✧ Final Exam 40%, scheduled on June 24, 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 Thursday except June 24. The quiz itself functions as the first session of the lecture on Thursday 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 June 24 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.

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:

- ✧ 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 Schedule:

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: Quiz 1 and go-over, covering Chapters 1-5

Part III: Consumer Theory

Day 5, Monday: Chapter 6. Demand

Day 5, Monday: Chapter 8. Slutsky Equation

Day 6, Tuesday: Chapter 10. Intertemporal Choice

Day 7, Wednesday: Chapter 12. Uncertainty

Day 8, Thursday: Quiz 2 and go-over, covering Chapters 6,8,10 and 12

Part IV: Consumer Welfare

Day 9, Monday: Chapter 14: Consumer's Surplus

Day 10, Tuesday: Chapter 15. Market Demand

Day 10, Tuesday: Chapter 16. Equilibrium

Part V: Firm Theory

Day 11, Wednesday: Chapter 19. Technology

Day 12, Thursday: Quiz 3 and go-over, covering Chapters 14-16 and 19

Day 13, Monday: Chapter 20. Profit Maximization

Day 14, Tuesday: Chapter 21. Cost Minimization

Day 14, Tuesday: Chapter 22. Cost Curves

Day 15, Wednesday: Chapter 25. Monopoly

Day 15, Wednesday: Chapter 28. Oligopoly

Day 16, Thursday: Quiz 4 and go-over, covering Chapters 20-22, 25 and 28

Part VI: Topics in Microeconomic Theory

Day 17, Monday: Chapter 29. Game Theory

Day 18, Tuesday: Chapter 32. Exchange

Day 18, Tuesday: Chapter 35. Externalities

Day 19, Wednesday: Chapter 37. Public Goods, and *Review*

Day 20, Thursday: Final exam, covering all Chapters mentioned above.

Online Possibility:

Due to the on-going pandemic, there is a possibility that in-person courses change to online ones. UIBE ISS will notify the students once the decision has been made.

If the in-person courses are to be changed to online courses, we will make a few adjustments:

- ✧ 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.