



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

ECON 301 Intermediate Microeconomics

Term: September 20th – December 10th, 2021

Instructor: Xuefeng Pan

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Class Hours: 2 days per week, 120 minutes each teaching 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 assignments, the quizzes and the final exam, with the following weights:

- ✧ Assignments 20%, there is a total of four assignments, with 5% on each.
- ✧ Quizzes 40%, there is a total of four quizzes, and each quiz comes with a 10%.
- ✧ Final Exam 40%, cumulative and covers all chapters.

Assignments: The purpose of the assignment is to keep you updated about key concepts introduced in the lecture and also to prepare you for the quiz. Your work on the assignments will be reviewed and will be rewarded with generous grading as long as serious efforts are shown.

Quizzes: The questions in the quiz may look similar to those in the assignment of the week.

Final exam: 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

Week 1:

Chapter 1. Market

Chapter 2. Budget Constraint

Part II: Consumer Behavior

Week 2:

Chapter 3. Preferences

Chapter 4. Utility

Week 3:

Holiday

Part III: Consumer Theory

Week 4:

Chapter 5. Choice

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

Chapter 6. Demand

Week 5:

Chapter 8. Slutsky Equation

Chapter 10. Intertemporal Choice

Chapter 12. Uncertainty

Week 6:

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

Chapter 14: Consumer's Surplus

Chapter 15. Market Demand

Part IV: Consumer Welfare

Week 7:

Chapter 16. Equilibrium



Chapter 19. Technology

Quiz 3 and go-over, covering Chapters 14-16 and 19

Part V: Firm Theory

Week 8:

Chapter 20. Profit Maximization

Chapter 21. Cost Minimization

Week 9:

Chapter 22. Cost Curves

Chapter 25. Monopoly

Week 10:

Chapter 28. Oligopoly

Quiz 4 and go-over, covering Chapters 20-22, 25 and 28

Chapter 29. Game Theory

Part VI: Topics in Microeconomic Theory

Week 11:

Chapter 32. Exchange

Chapter 35. Externalities

Week 12:

Chapter 37. Public Goods, and Review

Final exam, covering all Chapters mentioned above.