

Istituto Lorenzo de' Medici

2019 Summer Program

ECON 201 Intermediate Microeconomics

Course Outline

Term: June 17-July 19, 2019

Class Hours: 8:00 - 9:50AM (Monday through Friday)

Course Code: ECON 201

Instructor: George Sarraf

Home Institution: University of California Irvine

Office Hours: TBA

Email: gsarraf@uci.edu

Credit: 4

Class Hours: This course will have 72 class hours, including 40 lecture hours, professor 10 office hours, 10-hour TA discussion sessions, 2-hour review sessions, 10-hour extra classes.

Course Description & Objectives:

Microeconomics' goal is to capture the motivation of individual economic agents – person, household, firm or government – and how they interact in markets. Intermediate Microeconomics will introduce tools to analyze individual decision making under constraints. Furthermore, we will look into consumer and firm maximization problems, and the General and Partial equilibrium models, imperfect competition models and some game theory fundamentals. Most of the topics will include theoretical derivations as well as real life applications.

Learning Outcome: upon completion of Econ 201, students will be able to acquire a fundamental knowledge in the subject and apply this knowledge to real life situations:

1. Fundamental Knowledge
 - Understand and be able to use microeconomic terminology
 - Understand that the highest-valued alternative foregone is the opportunity cost of what is chosen

- Understand how individuals and firms make themselves as well off in a world of scarcity
 - Understand how prices inform the decisions about which goods and services to produce, how to produce them, and who gets them
 - Understand how government policies affect the allocation of resources in a market economy
 - Understand how market structure influences the allocation of resources
2. Applications
- Use microeconomic principles and diagrams to understand and explain economic events and other social phenomena
 - Use basic calculus to solve optimization problems
 - Use economic reasoning to explain the strategic choices of individuals or organizations
 - Critique the economic content of articles or presentations
 - Appreciate the usefulness of economic reasoning in personal decision making

Prerequisite

Students are expected to have completed Principles of Microeconomics and Calculus. Although we will review the mathematical tools that we are going to use, some prior fundamental understanding of functions and derivatives is necessary to be successful in this class.

Required Textbook:

Intermediate Microeconomics and its Application. Nicholson and Snyder. 12th Edition. Cengage Learning. ISBN: 9781305431539

Lectures:

Lectures are designed to clearly explain the concepts covered in the textbook and how they apply to real world situations. Outlines of the lecture notes will be made available to students prior to class.

Attendance

Students are required to attend and participate in all discussions. Attendance will be taken every week.

Homework:

Homework questions will be selected from end of chapter problems. You will be required to submit written concise answers to these questions. There will be two sets of homework questions. Set I contains questions for chapters 1 to 4. Set II will contain questions for chapters 6 to 9 and set III will cover the remaining chapters: 10 to 12 plus game theory topic. Students can work on these in groups but individual submission of homework is required. On the front page of

your homework submission, please write down your name and student id. Due dates for submission are indicated in the course outline table below. Please staple your homework prior to submission.

Exams:

There will be two midterms and one final. Practice questions for all tests will also be provided. These along with homework problems will serve as practice for the exams.

Grading Breakdown:

Homework Questions:	15%
Attendance:	15%
Midterm I:	20%
Midterm II:	20%
Final Exam:	30%

Total Score = $[HQ*0.15 + Att*0.15 + MidI*0.20 + MidII*0.20 + Final*0.3]$. Curve will be determined based on the distribution of grades.

For letter grade scale, see the last page of the syllabus.

COURSE OUTLINE:

Week	Topic	Chapter(s)
1	Intro to Microeconomics	Notes
	Introductory Remarks and Review of basic micro	1
	Consumer Behavior: Utility and Choice	2
	Consumer Behavior: Individual & Market Demand	3
2	Choice under Uncertainty	4
	Firm Behavior: Production	6
	Midterm I Review (TA)	
	<i>Homework Questions Set I Due</i>	
	Midterm I (Thursday)	1 to 4
3	Firm Behavior: Costs	7
	Profit Maximization	8
	Perfect Competition	9
	Midterm II Review (TA)	
4	<i>Homework Questions Set II Due</i>	
	Midterm II (Monday)	6 to 9
	Game Theory	Handouts + ch.5 p.185
	General Equilibrium	10
	Monopoly	11
5	Imperfect Competition—Oligopoly/Monopolitic Competition	12
	Pricing in Input Market	13
	Externalities and public choice	16
	Final Exam Review (TA)	
	<i>Homework Questions Set III Due</i>	
	Final Exam	10-13,16 + handouts

Grading Scale:

94 and above A
93-90 A-
89-87 B+
86-84 B
83-80 B-
79-77 C+
76-74 C
73-70 C-
69-67 D+
66-64 D
63-60 D-
Below 60 F