Updated Aug 30, 2016

INTERMEDIATE MICROECONOMICS ANALYSIS

01:220:320:07

Fall 2016

Murray Hall, Room 210

Tue/Thur, 2:50-4:10 pm

Contact Information

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Department of Economics, Rutgers University – New Brunswick
75 Hamilton Street, Room 417
Email: bwu@econ.rutgers.edu (Please use subject line: Econ 320, Fall 2016)
Office Hours: Fri 3:30-5:30 pm or by appointment
Teaching Assistant: Ye Sun, ysun@econ.rutgers.edu (Please use subject line: Econ 320, Fall 2016)

Learning Goals

This is a core course for students who major in economics. Students will use differential calculus to solve linear and nonlinear systems of equations, apply the techniques of constrained optimization and equilibrium analysis to consumer and producer behavior and understand the positive and normative analysis of their interactions in perfectly and imperfectly competitive markets. Upon completion of the course, students will be familiar with models of consumer choice, production, general equilibrium, and imperfect markets. Concepts and theories learned in this course will be applied in virtually every course in the undergraduate economics curriculum.

Course Website

https://sakai.rutgers.edu
You will be responsible for every announcement posted on Sakai. Please make sure you receive notifications through Sakai and check the web page on a regular basis.

Prerequisites

Introduction to Microeconomics 220:102 (or equivalent)
Calculus I 640:135 (or equivalent)

Class Policies

The University has clear rules about academic integrity, which apply to this course: http://ctaar.rutgers.edu/integrity/policy.html.
In addition, I have the following class polices:

- No Laptop Computers
- No Cell Phones and No Text Messaging
- No Food (Drink is ok)

- Attendance of class is required. You will be responsible for every announcement made in class. If you expect to miss classes because of illness or emergency, please use the University absence reporting website: https://sims.rutgers.edu/ssra/ to indicate the date and reason for your absence. An email is automatically sent to me.
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Course Grading

Course grades will be based on three exams and a group project:

	Date	Weight
Midterm 1	Oct 11	30%
Midterm 2	Nov 15	30%
Final Exam	Dec 16	30%
Homework Assignments		10%

Final exams are not cumulative. No make-up exams are given unless validated and written reasons are provided.

Your letter grade will be determined according to the following scale:

Numerical Grade	Letter Grade
90-100	A
85-89.99	B+
80-84.99	B
75-79.99	C+
70-74.99	C
60-69.99	D
0-59.99	F

Course Material

Textbook: *Microeconomic Theory: Basic Principles and Extensions by W. Nicholson and C. Snyder, 10th or 11th edition, South-Western College Pub. ISBN-10: 1111525536; ISBN-13: 978-1111525538*

This textbook is the main reference material for this course. I will also use presentation slides in class, which I will post the night before the lecture day on Sakai. I will also write on the blackboard to complement the contents of the presentation slides. It is your responsibility to attend the lecture and take notes to complete the contents.

Lecture Topics (Subject to Change)

Part I: Consumer Choice

1. Preference and utility (Ch. 2 p. 26-33, 39-45, and Ch. 3)
2. Utility maximization and choice, Envelop theorem and constrained maximization (Ch. 2 p.35-p.48 and Ch. 4)
3. Substitution and income effect (Ch. 5)
4. Demand relationships among goods (Ch. 6)
5. Applications: Labor market (Ch. 16), Capital and time (Ch. 17), Uncertainty (Ch. 7)

Part II: Production and Supply

1. Production functions (Ch.2 p. 48-63, and Ch. 9)
2. Cost minimization (Ch. 10)
3. Profit maximization (Ch. 11)

Part III: Markets
1. Partial equilibrium competitive market (Ch. 12)
2. Monopoly and price discrimination (Ch. 14)
3. Markets with Asymmetric information (Ch.18)
4. Selected topics: Externalities (Ch. 19), General Equilibrium (Ch. 13), Game theory (Ch. 8), Imperfect Competition (Ch. 15)

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LEARNING GOALS FOR ECONOMICS MAJORS

1. **Economic Literacy** - Students who complete the major in economics should understand and be able to articulate, both orally and in writing, the core economic principles, concepts and theories that form the foundation for modern economic analysis and economic research.

2. **Economic Numeracy** - Students who complete the economics major should be familiar with the tools, techniques and methods of empirical economics. They should be able to analyze data using computer applications and should be familiar with regression methods and other statistical techniques. They should be able to read and assess general interest articles on economic topics. In addition, they should be able to understand and evaluate key findings in published economic research from a wide range of sources including academic economists, public policy 'think tanks,' and government agencies.

3. **Economic Citizenship** - Upon completion of the major students should be able to apply their understanding of core concepts and quantitative tools to analyze and research real world problems and evaluate alternative economic policy proposals on microeconomic and macroeconomic issues.

4. **Economic Scholarship** – Qualified majors should have an opportunity through such avenues as advanced coursework, faculty interactions, national and local competitions and honors courses and programs to utilize up-to-date methodological tools and become fully engaged in economic research and issues on the frontiers of economics.

Department of Economics
Rutgers, The State University of New Jersey
February 2008