**PRINCIPLES OF MICROECONOMICS**

RENMIN UNIVERSITY OF CHINA

School of Economics

Semester I, 2020

**Instructor**: Dr. Wang Zijia

**Email:** TBA

**Office:** TBA

**Class Time**: Thus, 8:00-9:30am ; 10:00-11:30am

**Classroom:** Mingde Business Building 0208

**Office Hours**: Thus, 14:00-15:00pm (Please make an appointment beforehand)

**Course Description**:

This is an introductory undergraduate course that teaches the fundamentals of microeconomics.

It introduces the roles of the market price system in managing the use of society’s resources and in rationing available supplies. The efficiency of resource management is examined in the light of a variety of more or less competitive market environments. Topics include consumer behavior, consumer and market demand, concepts of elasticity, cost, production and factor pricing in perfect and imperfect competition, monopoly, monopolistic competition, oligopoly, regulation and economic policy, economic efficiency and productivity, social costs and benefits, and public goods and externalities.

**Prerequisite:** High-school level algebra

**Required Textbook**: *Principles of Economics*, Mankiw (8th Edition)

**Recommended Textbook:** *Economics*, Micheal Parkin (10th Edition)

**Optional reading:**

* A Cartoon Introduction to Economics
* When Genius Failed: The Rise and Fall of LTCM
* Liar’s Poker
* Monkey Business: Swinging Through the Wall Street Jungle
* Rich Dad, Poor Dad: What The Rich Teach Their Kids About Money-That The Poor and Middle Class Do Not!

**Tentative Schedule:**

**Part 1. The Economic Principles and Problems** (Chapter 1, 2, 3)

**Part 2. Demand and Supply**

Demand, Supply and Market Equilibrium (Chapter 4,7)

Elasticity (Chapter 5)

Government Actions in Market (Chapter 6,8)

**Part 3. Consumer Theory**

Preference, Utility and Consumption Choice (Chapter 21)

**Part 4. Producer Theory**

Production and Cost (Chapter 13)

Competitive Output: Perfect Competition (Chapter 14)

Firms with Market Power:

Monopoly (Chapter 15)

Monopolistic Competition (Chapter 16)

Oligopoly (Chapter 17)

Factor Pricing (Chapter 18)

**Part 5. Public Goods and Externalities** (Chapter 10, 11, 12)

**Assessment: 100%**

Homework Assignments 20%

Quizzes(3 times, in class) 15%

Report Writing (5 persons in a group, due date to be announced later) 15%

Final Exam (closed book) 50%

**Homework Assignments:**

* There are 4 Homework assignments.
* Each assignment must be written by hand. (soft copies will not be accepted)
* Answers need to be with steps. Otherwise, they will not be accepted.
* Write clearly. Answers cannot be read will not be marked.
* You are encouraged to discuss with each other.
* However, plagiarism is intolerable. Otherwise, zero credit.

**Quizzes:**

There will be 3 in-class quizzes. Time for quizzes will not be announced in advance. It could be in any week.

**Report Writing**

* This is a group project. Each group should have less than 5 members.
* Each group needs to search and select **5** articles from accredited news sources only.
* Each news article should be used to analyze a different aspect of the market (e.g., PPF, demand, supply, market equilibrium, elasticity, budget line etc.).
* Conduct a comprehensive analysis on this company with the things you have learned in this course. ONE microeconomics concept from ONE chapter.
* Illustrations such as graphs, tables and computations need to be included as supporting evidence.
* Each group needs to write a report. Template for report will be provided.

**Examinations:**

The final exam will be closed book. It will cover materials from textbook chapters, lectures and issues discussed in the class.

* Lecture notes provided by the instructor is **NOT sufficient. It is compulsory to read the textbook chapters thoroughly.**
* Exam questions are similar to those in homework assignments and quizzes.
* **Please do not miss the exams or quizzes, as there will be no make-up.**