

Department of Economics

ECON 520 – Intermediate Microeconomics (ZB)

Spring 2010

Class Schedule: T U 5:30 PM – 7:55 PM

Class Room: Eisenhower Hall 122

Prerequisite: ECON 120 or equivalent

Instructor: Luo, Zijun

Email: luozijun@ksu.edu

Office: Waters Hall 339B

Office Hours: M W 10:30-11:20

T 4:00-5:15

Final Exam: May 11th, 6:20 PM-8:10 PM**Course Description**

Microeconomics is about our everyday lives, is about individual choices. As an intermediate level economics course, ECON520 will be more analytical and mathematical than principle level courses (ECON120 & ECON110). The main differences between intermediate and principle courses are, 1) using more problem-solving skills (such as graphs and mathematics); 2) emphasizing theories more systematically; 3) stressing critical thinking more deeply. This is also a very important class if you are considering continue your economics study as a graduate student.

Textbook(s)

Here is the textbook:

Jack Hirshleifer, Amihai Glazer and David Hirshleifer, "Price Theory and Applications", 7th edition. Cambridge University Press, 2005.

You may also use the 6th edition of the same book, written by Jack Hirshleifer and David Hirshleifer (The 5th edition, however, is written by Jack Hirshleifer and Amihai Glazer). You can also find information about other widely use intermediate microeconomics textbooks at my webpage:

<http://www-personal.ksu.edu/~luozijun/520/TextbookInfo.html>

If you already have any of the textbooks in the list (or other intermediate textbooks), you don't have to purchase the one I assigned. But you have to send me an email to let me know what textbook you are using.

Study Advice

First, although handouts will be given frequently, I highly recommend you to attend every class. The difference between class presentations and handouts is that presentation is dynamic so you can know the thinking process which is critical for you to do well in exams. In general, handouts do not contain

everything you need to know. ECON520 class, as mentioned by my previous students, could be the hardest ECON class you every take. Students missed class generally did not do well in exams.

Second, I suggest you to think about homework assignments on your own before discussing with your friends or classmates. Most homework assignments, as well as exams, are directly linked to materials I presented in class. So you should be able to finish them on your own after attending classes and reviewing course materials.

Third, I encourage you to connect microeconomic theory to your real life. As I always emphasize, microeconomics is all about individual choices. And your choices of course are part of “individual choices”. So it’s very important to use economics or at least recognize economics in everyday lives. You can get deeper understanding about a theory if you can use it to explain your own life. You would need to “think as an economist” in some homework assignments.

Course Outline

I have attached the tentative course outline and class schedule with this syllabus. You can also get other information about this class on my personal website at <http://www-personal.ksu.edu/~luozijun/>.

Homework Assignments and Exams

There will be 5 homework assignments. Due dates are announced in the class schedule. You can form groups to finish homework assignments but as I mentioned, you should think about the questions before you discuss with others. If you forget to hand in your homework assignments, let me know ASAP. Every student has one and only one chance to hand in late homework assignment.

There will be 2 mid-term exams plus 1 final exam due to the schedule of this class. ALL EXAMS WILL BE COMMULATIVE. Exams will contain “short answers” (or/and “graphical analysis”), “multiple choices” (or/and “true or false”), and will be given IN CLASS. All mid-term exams are scheduled for 80 minutes and at the exam day, we will continue our lecture after the mid-term exam. I will hold additional office hours before every mid-term exam. No review section will be given for mid-term exams but there will be a review section before the final exam. NO MAKE UP EXAM WILL BE GIVEN.

There will be NO quizzes in this class.

Grading

Final grades are based on curved. But in general you should expect the following rule:

A: 90% or above; B: 80-89%; C: 70-79%; D: 60-69%; F: Under 60%

Homework assignments weight 20% in your final grades. Every mid-term exam weights 20% in your final grades. The final exam weights 40% in your final grades. Accordingly, a total 500 points will be assigned as follows:

Homework: 20 points each; Mid-term Exam: 100 points each; Final Exam: 200 points.

Statement Regarding Academic Honesty

Any student with a disability who needs a classroom accommodation, access to technology or other assistance in this course should contact Disability Support Services and/or the instructor.

Statement Regarding Academic Honesty

Kansas State University has an Honor System based on personal integrity, which is presumed to be sufficient assurance that, in academic matters, one's work is performed honestly and without unauthorized assistance. Undergraduate and graduate students, by registration, acknowledge the jurisdiction of the Honor System. The policies and procedures of the Honor System apply to all full and part-time students enrolled in undergraduate and graduate courses on-campus, off-campus, and via distance learning. The honor system website can be reached via the following URL: www.ksu.edu/honor. A component vital to the Honor System is the inclusion of the Honor Pledge which applies to all assignments, examinations, or other course work undertaken by students. The Honor Pledge is implied, whether or not it is stated: "On my honor, as a student, I have neither given nor received unauthorized aid on this academic work." A grade of XF can result from a breach of academic honesty. The F indicates failure in the course; the X indicates the reason is an Honor Pledge violation.

Statement Defining Expectations for Classroom Conduct

All student activities in the University, including this course, are governed by the Student Judicial Conduct Code as outlined in the Student Governing Association By Laws, Article VI, Section 3, number 2. Students who engage in behavior that disrupts the learning environment may be asked to leave the class.

Statement for Copyright Notification

Copyright 2010 (Zijun Luo) as to this syllabus and all lectures. During this course students are prohibited from selling notes to or being paid for taking notes by any person or commercial firm without the express written permission of the professor teaching this course.

Tentative Course Outline

- Lecture 1: Introduction and Review
- Lecture 2: Preference, Utility, and Indifference Curve
- Lecture 3: Budget Constraint and Consumer's Utility Maximization Problem
- Lecture 4: Comparative Static in Consumer Theory
- Lecture 5: Income Effect and Substitution Effect
- Lecture 6: Demand Function and Elasticity
- Lecture 7: Short-Run Analysis of Supply and Producer's Profit Maximization Problem
- Lecture 8: Input, Technology, and Producer's Cost Minimization Problem
- Lecture 9: Short-Run versus Long-Run in Producer Theory
- Lecture 10: Game Theory
- Lecture 11: Market Structure
- Lecture 12: Welfare Analysis, Efficiency, and Public Good
- Lecture 13: Optional Topic(s)

Tentative Class Schedule

1. March, 11 U **Lecture 1 & 2**
March, 16 T (Spring Break)
March, 18 U (Spring Break)
2. March, 23 T (Homework One Due) **Lecture 3**
3. March, 25 U **Lecture 4**
4. March, 30 T (Homework Two Due) **Lecture 5**
5. April, 1 U **Lecture 6**
6. April, 6 T (First Mid-term) **Lecture 7**
7. April, 8 U **Lecture 7**
8. April, 13 T (Homework Three Due) **Lecture 8**
9. April, 15 U **Lecture 8 & 9**
10. April, 20 T (Homework Four Due) **Lecture 9**
11. April, 22 U **Lecture 10**
12. April, 27 T (Second Mid-term) **Lecture 11**
13. April, 29 U **Lecture 11 & 12**
14. May, 4 T (Homework Five due) **Lecture 12 & 13**
15. May, 6 U **Review for Final**
May, 11 T Final Exam

Economist Poem (From <http://netec.wustl.edu/JokEc.html>)

If you do some acrobatics/with a little mathematics/it will take you far along.

If your idea's not defensible/don't make it comprehensible/or folks will find you out,

And your work will draw attention/if you only fail to mention/what the whole thing is about.