

Economics 4351H/7351: Intermediate Microeconomics

Fall 2011

Instructor: Dr. X. H. Wang, 125 Professional Building, 882-4954, wangx@missouri.edu

Office Hours: 1pm – 3pm Mondays or by appointment

Class Time: TuTh 11am – 12:15pm

Classroom: Middlebush 207

Webpage: Blackboard at <http://blackboard.missouri.edu/>

Course Description: This course develops rigorously the theory of rational behavior in the context of consumption, production, and pricing decisions on the part of households and firms. Partial equilibria are derived from the rational behavior of market participants in a variety of market settings, i.e., competition, monopoly, oligopoly and monopolistic competition. A brief introduction to general equilibrium in competitive markets and welfare economics is provided. Calculus is employed throughout.

Textbook (required): David Besanko & Ronald Braeutigam, **Microeconomics, 4th Edition**

Study Guide (optional): by David Besanko

Grading: Plus/minus grades will be used. Your grade will be determined by the following:

Assignments	10%	(points TBA)
First midterm	25%	(50 points)
Second midterm	25%	(50 points)
<u>Final exam</u>	<u>40%</u>	<u>(80 points)</u>
Total	100%	

Exam Schedule:

First midterm:	September 27 Tuesday (during class time)
Second midterm:	November 1 Tuesday (during class time)
Final Exam:	December 13 Tuesday 12:30pm – 2:30pm

Make-up Exams: Make-up exams will generally not be given. A request for alternative arrangements must be in writing and must be accompanied by appropriate documentation for not taking the scheduled exam.

SCHEDULE

Part I: Introduction

The basics of supply and demand (Chapter 2)

Demand & Supply

Market equilibrium

Elasticities of demand and supply

Part II: Theories of Consumers, Producers, and Competitive Markets

Consumer theory (Chapters 3, 4 & 5)

Consumer behavior: preferences, budget constraints, choices

Individual and market demand

Production and cost theory (Chapters 6, 7 & 8)

Production

Costs of production

Profit maximization

Competitive markets (Chapters 9 & 10)

Competitive supply

Competitive equilibrium

Welfare analysis of the competitive equilibrium

Part III: Market Power

Monopoly (Chapters 11 & 12)

Monopoly power

Price discrimination

Oligopoly (Chapter 13)

Cournot model

Bertrand model

Stackelberg model

Game Theory (Chapter 14)

Nash equilibrium

Prisoners' dilemma

Part IV: General Equilibrium and Others

General equilibrium (Chapter 16)

Externalities and public goods (Chapter 17)

ACADEMIC INTEGRITY POLICY

Academic honesty is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards academic dishonesty as an extremely serious matter, with serious consequences that range from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, or collaboration, consult the course instructor.

Academic Dishonesty includes but is not necessarily limited to the following:

- A. Cheating or knowingly assisting another student in committing an act of cheating or other academic dishonesty.
- B. Plagiarism which includes but is not necessarily limited to submitting examinations, themes, reports, drawings, laboratory notes, or other material as one's own work when such work has been prepared by another person or copied from another person.
- C. Unauthorized possession of examinations or reserve library materials, or laboratory materials or experiments, or any other similar actions.
- D. Unauthorized changing of grades or markings on an examination or in an instructor's grade book or such change of any grade report.

ACADEMIC INTEGRITY PLEDGE: *"I strive to uphold the University values of respect, responsibility, discovery, and excellence. On my honor, I pledge that I have neither given nor received unauthorized assistance on this work."* Students are expected to adhere to this pledge on all graded work whether or not they are explicitly asked in advance to do so.

The University has specific academic dishonesty administrative [procedures](#). Although policy states that cases of academic dishonesty must be reported to the Office of the Provost for possible action, the instructor may assign a failing grade for the assignment or a failing grade for the course, or may adjust the grade as deemed appropriate. The instructor also may require the student to repeat the assignment or to perform additional assignments. In instances where academic integrity is in question, faculty, staff and students should refer to [Article VI of the Faculty Handbook](#). Article VI is also available in the [M-Book](#). Article VI provides further information regarding the process by which violations are handled and sets forth a standard of excellence in our community.

ADA STATEMENT (FROM OFFICE OF THE PROVOST)

If you need accommodations because of a disability, if you have emergency medical information to share with me, or if you need special arrangements in case the building must be evacuated, please inform me immediately. Please see me privately after class, or at my office.

Office location: [125 Professional Building](#) Office hours: [1pm - 3pm Mondays](#)

To request academic accommodations (for example, a note taker or extended time on exams), students must also register with the Office of Disability Services (<http://disabilityservices.missouri.edu>), S5 Memorial Union, 882-4696. It is the campus office responsible for reviewing documentation provided by students requesting academic accommodations, and for accommodations planning in cooperation with students and instructors, as needed and consistent with course requirements. Another resource, MU's Adaptive Computing Technology Center, 884-2828, is available to provide computing assistance to students with disabilities. For other MU resources for students with disabilities, click on "Disability Resources" on the MU homepage.

THE DEPARTMENT OF ECONOMICS EXAM ACCOMMODATION PROCEDURE FOR STUDENTS WITH DISABILITIES:

1. A disabled student who wants accommodations for an exam in Economics course must present the course instructor with a Letter of Accommodation from the Office of Disability Services (ODS) that documents the accommodations the student is entitled to receive. This should be done as early in the semester as possible.
2. For each accommodated exam, the student should bring the course instructor an Adaptive Examination Request Form from ODS. The course instructor is not required to accept such a request unless the student has first provided you with a Letter of Accommodation. ODS policies require that this form be provided to you at least 7 business days in advance for hourly examinations and by Thanksgiving Break (Spring Break) for fall (spring) final examinations.
3. The student section of the form must be properly filled out (including consistency with the Letter of Accommodation regarding the accommodations) and signed by the student. The course instructor must fill out the instructor portion including a note in the SPECIAL INSTRUCTIONS box and sign the form.
4. The white and pink copies of the form are given back to the student and the student must submit the white copy to ODS.

INTELLECTUAL PLURALISM STATEMENT (FROM OFFICE OF THE PROVOST)

The University community welcomes intellectual diversity and respects student rights. Students who have questions concerning the quality of instruction in this class may address concerns to either the Departmental Chair or Divisional leader or Director of the [Office of Students Rights and Responsibilities](http://osrr.missouri.edu/) (<http://osrr.missouri.edu/>). All students will have the opportunity to submit an anonymous evaluation of the instructor(s) at the end of the course.