

Online Econ 8451 – Microeconomic Theory

Spring 2020

Department of Economics
University of Missouri-Columbia

INSTRUCTOR: DR. X. H. WANG

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(All email correspondences with me should be sent to this address. Messages sent through Canvas may not be received in a timely manner.)

WEBPAGE: <https://economics.missouri.edu/people/wang>

OFFICE HOURS: Tuesdays 1:00pm – 3:00pm CST

(Note: All times used in this syllabus are US Central Standard Time (CST). Daylight saving time in 2020 will begin at 2:00am on Sunday, March 8.)

COURSE DESCRIPTION

Microeconomic theory is a set of analytical tools designed to help us understand economic phenomena. The basic assumptions that underlie the theory are that individuals pursue well-defined objectives, take into account their knowledge of the environment and in strategic situations take into account their expectations of other individuals' behavior. Microeconomic models are abstract representations of collections of real-life situations and microeconomics uses mathematics to express its ideas formally.

This course relies extensively on calculus to survey theories of: rational behavior in consumption, production, and pricing decisions of firms; partial equilibrium in product markets under competition; general equilibrium in an exchange economy; monopoly and monopoly pricing; oligopoly and oligopolistic competition; and asymmetric information.

LEARNING OBJECTIVES

After completing the entire course, you are expected to be able to

- Understand fundamental concepts of consumer theory and producer theory
- Understand basic concepts of partial equilibrium and general equilibrium
- Understand basic concepts of imperfect competition and incomplete information
- Apply basic microeconomic concepts to analyze some important policy questions

REQUIRED TEXTBOOK

Walter Nicholson & Christopher Snyder: **Microeconomic Theory: Basic Principles and Extensions**, 10th Edition (PDF file is freely downloadable from the Internet)

ONLINE COURSE ACCESS

You are expected to have basic technical skills such as accessing course materials in Canvas, scanning and uploading documents. Having reliable access to the Internet and a computer is necessary. You may access the course via <https://courses.missouri.edu>. Under course login, select Canvas and enter your

MU PawPrint username and password. If you run into any technical difficulties, please contact the Mizzou IT Help Desk via phone 573-882-5000 or e-mail helpdesk@missouri.edu or from the self-service portal: <https://cherwell.umsystem.edu/CherwellPortal/DoITPortal>.

OFFICE HOURS

I will hold office hours on Tuesdays from 1:00pm-3:00pm CST. During those times I will be in my office and online, checking e-mail, monitoring the Discussion Board. I will respond ASAP to any questions you send during my office hours. At other times, please allow at least 24 hours for a response.

Discussion Board

For general questions (i.e., not specific to you personally), you are encouraged to post to the discussion board on our course Canvas site. All of you are strongly encouraged to both post and answer questions on the discussion board. I will monitor it throughout the week.

DATES AND DEADLINES

- All homework assignments and tests must be submitted in Canvas by the deadline. Please note that once the due date and time have passed (even by 1 second), the link to submit disappears and you can no longer submit your answers.
- There are ten homework assignments that you need to submit answers. Each assignment will be due by Saturday night at 11:59pm CST in the week when the respective chapter is covered.
- There is a test for each of three segments of the course. Each test will be on Thursday night in the segment review week. Each test will start at 7pm CST and end at 9pm CST (15 minutes for setting up; 90 minutes for answering test questions; and 15 minutes for submission.)

LATE WORK POLICY

No late homework assignments and tests will be accepted without University and Instructor approved documentation. If you have circumstances that affect your ability to complete an assignment or test, please contact the instructor at least 2 days in advance of the due date.

SHOW YOUR INDEPENDENT WORK

All homework assignments and tests in this class will be open book and unsupervised. However, it is very important that all of your submitted answers are your own independent work. You are not allowed to consult anyone else, including your classmates.

EVALUATION AND GRADING

The course will be graded on the basis of ten homework assignments and three tests. Each homework assignment is worth 8 points, and each test is worth 40 points. The maximum total points will be 200. Letter grades will be assigned using the Grade Table below.

Plus/Minus Grade Table (Usual rules will be used to round decimals)

| | | |
|---------------------|------------------|-------------------|
| A+: 98-100 percent | A: 94-97 percent | A-: 90-93 percent |
| B+: 85-89 percent | B: 80-84 percent | B-: 75-79 percent |
| C+: 70-74 percent | C: 65-69 percent | C-: 60-64 percent |
| F: below 60 percent | | |

ADVICE (HOW TO BE SUCCESSFUL)

- Read the textbook/study the chapter slides: For each chapter covered, the first thing I recommend is to read both the chapter slides in Canvas and the textbook.
- Watch the lecture videos: Each chapter has two or three lecture videos. These videos are based on the chapter slides. I would encourage you to view the videos at least once. However, each of you will develop a study method most suitable to you and some of you may find that studying the chapter slides is more effective.
- Practice, practice, practice! All problems in homework assignments will be from the textbook. Each chapter in the textbook has more problems. You are encouraged to work on as many of them as practice problems as possible.
- Do not wait until the last day to start working on a homework: All homework assignments are due on Saturdays at 11:59pm CST.
- Never be late with online submissions of assignments and tests: Once the due date and time have passed (even by 1 second), the link to submit disappears.

WEEKLY SCHEDULE

| Week | Unit | Tasks |
|------------------|---|--|
| 0 | Preparations | <ol style="list-style-type: none">1) Familiarize yourself with the syllabus2) Read Chapter 1 of textbook |
| 1 (1/19-1/25) | Chapter 2: Mathematics for Microeconomics | <ol style="list-style-type: none">1) Read Chapter 2 of textbook2) Study Chapter 2 slides3) Watch Chapter 2 lectures 1-34) Work on Chapter 2 work problems |
| 2 (1/26-2/1) | Chapter 3: Preferences and Utility | <ol style="list-style-type: none">1) Read Chapter 3 of textbook2) Study Chapter 3 slides3) Watch Chapter 3 lectures 1-24) Work on Chapter 3 homework5) <u>Submit Chapter 3 homework</u> by 11:59pm on Saturday |
| 3 (2/2-2/8) | Chapter 4: Utility Maximization and Choice | <ol style="list-style-type: none">1) Read Chapter 4 of textbook2) Study Chapter 4 slides3) Watch Chapter 4 lectures 1-24) Work on Chapter 4 homework5) <u>Submit Chapter 4 homework</u> by 11:59pm on Saturday |
| 4 (2/9-2/15) | Chapter 5: Income and Substitution Effects | <ol style="list-style-type: none">1) Read Chapter 5 of textbook2) Study Chapter 5 slides3) Watch Chapter 5 lectures 1-34) Work on Chapter 5 homework5) <u>Submit Chapter 5 homework</u> by 11:59pm on Saturday |

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| 5 (2/16-2/22) | Segment 1 Review and Test 1 | 1) Review Chapters 2-5 2) Take Test 1 from 7pm-9pm on Thursday February 20 |
| 6 (2/23-2/29) | Chapter 9: Production Functions | 1) Read Chapter 9 of textbook 2) Study Chapter 9 slides 3) Watch Chapter 9 lectures 1-2 4) Work on Chapter 9 homework 5) <u>Submit Chapter 9 homework</u> by 11:59pm on Saturday |
| 7 (3/1-3/7) | Chapter 10: Cost Functions | 1) Read Chapter 10 of textbook 2) Study Chapter 10 slides 3) Watch Chapter 10 lectures 1-3 4) Work on Chapter 10 homework 5) <u>Submit Chapter 10 homework</u> by 11:59pm on Saturday |
| 8 (3/8-3/14) | Chapter 11: Profit Maximization | 1) Read Chapter 11 of textbook 2) Study Chapter 11 slides 3) Watch Chapter 11 lectures 1-3 4) Work on Chapter 11 homework 5) <u>Submit Chapter 11 homework</u> by 11:59pm on Saturday |
| 9 (3/15-3/21) | Chapter 12: Partial Equilibrium Competitive Model | 1) Read Chapter 12 of textbook 2) Study Chapter 12 slides 3) Watch Chapter 12 lectures 1-3 4) Work on Chapter 12 homework 5) <u>Submit Chapter 12 homework</u> by 11:59pm on Saturday |
| | | Spring Break: 3/22-3/28 |
| 10 (3/29-4/4) | Segment 2 Review and Test 2 | 1) Review Chapters 9-12 2) Take Test 2 from 7pm-9pm on Thursday April 2 |
| 11 (4/5-4/11) | Chapter 13: General Equilibrium and Welfare | 1) Read Chapter 13 of textbook 2) Study Chapter 13 slides 3) Watch Chapter 13 lectures 1-3 4) Work on Chapter 13 homework. 5) <u>Submit Chapter 13 homework</u> by 11:59pm on Saturday |
| 12 (4/12-4/18) | Chapter 14: Monopoly | 1) Read Chapter 14 of textbook 2) Study Chapter 14 slides 3) Watch Chapter 14 lectures 1-2 4) Work on Chapter 14 homework 5) <u>Submit Chapter 14 homework</u> by 11:59pm on Saturday |
| 13 | Chapter 15: Imperfect | 1) Read Chapter 15 of textbook 2) Study Chapter 15 slides |

| | | |
|------------------|--|---|
| (4/19-4/25) | Competition | 3) Watch Chapter 15 lectures 1-2 4) Work on Chapter 15 homework 5) <u>Submit Chapter 15 homework</u> by 11:59pm on Saturday |
| 14 (4/26-5/2) | Chapter 18: Asymmetric Information | 1) Read Chapter 18 of textbook 2) Study Chapter 18 slides 3) Watch Chapter 18 lectures 1-2 4) Work on Chapter 18 work problems |
| 15 (5/3-5/9) | Segment 3 Review and Test 3 | 1) Review Chapters 13-15, 18 2) Take Test 3 from 7pm-9pm on Thursday May 7 |

ACADEMIC INTEGRITY

Academic integrity 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 breaches of the academic integrity rules as extremely serious matters. Sanctions for such a breach may include academic sanctions from the instructor, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, collaboration, or any other form of cheating, consult the course instructor.

ADA STATEMENT

If you anticipate barriers related to the format of requirements of this course, or if you have emergency medical information to share with me, please let me know as soon as possible. If disability related accommodations are necessary (for example, a note taker, extended time on exams), please establish an accommodation plan with the MU Disability Center (<https://disabilitycenter.missouri.edu/>), S5 Memorial Union, 573-882-4696, and then notify me of your eligibility for reasonable accommodations.

STATEMENT ON INTELLECTUAL PLURALISM

The University community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the departmental chair, the director of the Office of Students Rights and Responsibilities (<https://osrr.missouri.edu/>), or the MU Equity Office (<https://equity.missouri.edu/>). All students will have the opportunity to submit an anonymous evaluation of the instructor at the end of the course.

UNIVERSITY OF MISSOURI NOTICE OF NONDISCRIMINATION

The University of Missouri System is an Equal Opportunity/Affirmative Action institution and is nondiscriminatory relative to race, religion, color, national origin, sex, sexual orientation, age, disability or status as a Vietnam-era veteran. Any person having inquiries concerning the University of Missouri's compliance with implementing Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act of 1990, or other civil rights laws should contact the Associate Vice Chancellor for Human Resource Services (<https://hrs.missouri.edu/>), 1095 Virginia Avenue, MO 65211, 573-882-4256.

TITLE IX POLICY

University of Missouri policies prohibit discrimination on the basis of race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, pregnancy, age, genetic information, disability and protected veteran status. Discrimination includes any form of unequal treatment such as denial of opportunities, harassment, and violence. Sex-based violence includes rape, sexual assault, unwanted touching, stalking, dating/interpersonal violence, and sexual exploitation.

If you experience discrimination, you are encouraged (but not required) to report the incident to the MU Office for Civil Rights & Title IX. Learn more about your rights and options at civilrights.missouri.edu or call 573-882-3880. You also may make an anonymous report online.

Students may also contact the Relationship & Sexual Violence Prevention (RSVP) Center, a confidential resource, for advocacy and other support related to rape or power-based personal violence at rsvp@missouri.edu or 573-882-6638, or go to rsvp.missouri.edu.

Both the [Office for Civil Rights & Title IX](#) and the [RSVP Center](#) can provide assistance to students who need help with academics, housing, or other issues.

GRADE APPEAL/GRIEVANCE POLICY

Information concerning student grade appeal procedures and non-academic grievances and appeals can be found at <https://registrar.missouri.edu/policies-procedures/grade-appeals.php>.

ONLINE CLASS NETIQUETTE

In an online classroom, our primary means of communication is written language. The written language has many advantages: more opportunity for reasoned thought, more ability to go in-depth, and more time to think through an issue before posting a comment on the Discussion Board forum. However, written communication also has certain disadvantages, such as lack of the face-to-face signaling that occurs through body language, intonation, pausing, facial expressions, and gestures. As a result, please be aware of the possibility of miscommunication and compose your comments in a positive, supportive, and constructive manner.

ONLINE COURSE MATERIALS

All online contents of this class are copyrighted and are not to be shared or used outside of this class.