

Course Syllabus

Department of Economics
University of Connecticut
Intermediate Microeconomic Theory
Spring 2022

Instructor: Professor Tianxu Chen

Office Hours :

E-Mail: tianxu.chen@uconn.edu

Tuesday 12:30-13:30 on WebEx, and by appointment

Every student is responsible for reading and understanding the content of this course outline.

Course Description

This class aims to convey the basic tools necessary to analyze the behavior of economic agents. We will develop a theoretical model both of consumer and producer behavior. We will study how both types of agents interact in markets. The concepts developed in this class are extremely useful for understanding the economic behavior of the people around us, as examples will demonstrate. Furthermore, the tools you learn in this class form the basis of analysis in all fields of economics. Their command greatly facilitates further studies in economics.

Prerequisites: ECON1200 or 1201. MATH 1071Q, 1110Q or 1120Q or 1125Q or 1131Q or 1151Q, or 2141Q. Recommended preparation: ECON 1202. Calculus is a prerequisite for this course.

Class Information

Lecture time: Tuesday, Thursday 14:00 - 15:15

Location: ARJ 143

Teaching Assistant(s): Haoxiang Xu, haoxiang.xu@uconn.edu

TA Office Hours: Friday 13:00-14:30, Oak Hall 237 and by appointment

Course Website

- Problem sets, answer keys, additional readings, and other useful information will be posted on the HuskyCT course website.
- Important announcements will be posted on the HuskyCT course website. Students are advised to check frequently.

Texts/Materials

Textbook(Required):

Intermediate Microeconomics: a Modern Approach, 9th edition, by Hal R. Varian.
(earlier editions also work)

Grading Scheme

There will be 2 in-class Midterms (20% each) and one cumulative Final Exam. (40%).

There will be 4 Problem Sets (20% totally, and the lowest grade will be dropped out).

- *Homework*

There will be four homework assignments, which are comprised of multiple choice and short-answer questions. Homework assignments will be collected through HuskyCT. Students could work in groups (four students at most for a group), and each student must, however, submit their own answers as separate ones. Everyone in the group may not receive the same grade if the answers provided are different (sometimes typos). The goal of this setup is to make sure everyone is participating and make sure everyone in the group is on the same page. Students should be responsible for giving me the problem sets on time. I allow students to submit later homework within 48 hours after the deadline, and the late homework will get a 10% off discount for its grade. Late homework *will not* be accepted after 48 hours because the solution will be posted on HuskyCT then. If there are some medical conditions or other emergency situations that stop some student from handing in problem sets on time, the student should let me know immediately and provide solid evidence.

- *Exams*

Two in-class midterm exams will be given over the course of the semester. The exams will be similar to the homework assignments. The questions will be in multiple choice and short-answer format.

- Make-up Exams

I will allow students to make-up an exam **if and only if** three conditions are met:

(1) I am notified before the exam date; (2) the reason for missing the exam is sensible and verifiable; and (3) the make-up exam is taken before the answers to the exam are posted online.

- Regrading Issues

Students have ONE week from the time I give back an exam (not when you retrieve it) to ask questions regarding the exams. This pertains to exam scoring, grading or re-grading an exam, missed questions etc. Note that if regrading is requested, the whole exam will be regraded, not any sole parts.

- Grades on HuskyCT

Besides midterms, grades of homework will be also posted on HuskyCT. I will use the grades on HuskyCT, as well as the final exam grade to calculate the final grade. If a student has any questions about the grades on HuskyCT (homework grading, anonymous homework, etc.), the student should let me know as soon as possible, at latest by the end of final week of classes. No changes could be made after the final week of classes.

- Proposed Exams/Homework Dates (subject to change, will be communicated by the instructor)

Midterm #1: Thursday, 3/3 (normal class time/place)

Midterm #2: Thursday, 4/7 (normal class time/place)

Final exam: Scheduled by the University. Details of the final exam will be provided in class.

Assignment #1: Friday, 2/4 at 5:00 p.m. (online submission)

Assignment #2: Friday, 2/25 at 5:00 p.m. (online submission)

Assignment #3: Friday, 4/1 at 5:00 p.m. (online submission)

Assignment #4: Friday, 4/22 at 5:00 p.m. (online submission)

● *Attendance*

It is very important for students to attend class regularly, as students who do not attend class on a regular basis typically perform much worse than those who attend class regularly. The in-class interaction fosters a better learning environment and, should lead to better performance on all graded components of the course.

Learning Objectives

By the end of the course, students should be able to:

Fundamental Knowledge

- Understand and be able to use microeconomic terminology
- Understand that the highest-valued alternative foregone is the opportunity cost of what is chosen
- Understand how individuals and firms make themselves as well off as possible in a world of scarcity
- Understand how prices inform the decisions about which goods and services to produce, how to produce them, and who gets them
- Understand how government policies affect the allocation of resources in a market economy
- Understand how market structure influences the allocation of resources

Applications

- Use microeconomic principles and diagrams to understand and explain economic events and other social phenomena
- Use basic calculus to solve optimization problems
- Use economic reasoning to explain the strategic choices of individuals or organizations
- Appreciate the usefulness of economic reasoning in personal decision making

Student Expectations

I expect students to (a) attend each class, (b) read the relevant material before class, (c) review the content covered in class, (d) complete and submit assignments on time, and (e) participate in classroom activities. If students meet these expectations, grades will take care of themselves.

Course Email Policy (for this big lecture class)

- I recommend that students use the @uconn email address when emailing me.
- Note emails are mainly for quick communications. If students have any detailed questions about the course contents, the problem sets, questions about slides/lecture notes, etc., students should come to my office hours instead.
- If you believe something is important, please talk to me during office hours or schedule an appointment.
- I will be as responsive as possible. You can expect a response within 48 hours Monday - Friday. If you haven't heard from me within that time, please email me a reminder.

Respect and Diversity

- I will do my best to provide you with an atmosphere of mutual respect and trust. Everyone, including me, should abide by UConn policies concerning academic integrity, anti-harassment, and anti-discrimination.
- I will NOT tolerate disrespectful comments regarding elements of diversity like, but not limited to, ethnicity, gender, age, social class, and dialect.
- In spite of my best efforts, I might accidentally overlook the sensitivity of some issues. If you feel uncomfortable with a topic, discussion, or any aspect of the class environment, please let me know as soon as possible.

Academic Integrity

- Academic dishonesty or plagiarism.pdf of any type will not be tolerated in this class. Please refer to the Student Code for specific guidelines: <http://community.uconn.edu/the-student-code-appendix-a/>
- We understand that the concept of academic integrity might vary on different countries, so we will be addressing more specific issues during the course. In any case, ignorance of the proper code will NOT excuse a student from facing the consequences of academic misconduct, so make sure you are familiar with the expectations.
- Academic misconduct will result in a failing grade for the cycle in which it occurred. Recurring cases will result in failure of the whole course and the student will be reported to UConn's Community Standards Office, which can lead to disciplinary action.

Syllabus Changes

I reserve the right to change the course syllabus. If changes are made, adequate notice will be provided. The most likely changes (if any) will be to the course outline .

Course outline, Topics and Readings:

You are advised to read ahead in order to prepare for lectures.

Consumer Theory

- Optimization Problems
- The budget set
- Preferences and indifference curves
- Utility functions
- Optimal choice
- Demand Functions, comparative statics and the Slutsky Equation
- Consumer Surplus

Market equilibrium and efficiency in an exchange economy

- Definition of equilibrium
- The Edgeworth box
- Walras law
- How is equilibrium reached?
- Pareto Equilibrium
- 1st Fundamental Welfare Theorem
- 2nd Fundamental Welfare Theorem
- Problems with the welfare theorems
- Property rights and Coase theorem

Producer Theory – Perfect Competition

- Technology
- Profit Maximization and Cost Minimization

- Firm Supply
- Equilibrium in a production economy
- Welfare theorems in a production economy

Choice Under Uncertainty

- Choices between gambles
- Expected utility theory
- Risk aversion

Monopoly

- The monopolist's problem
- Monopoly behavior
- Cost of monopolies

Healthy Ways to Cope with Stress

Know what to do if you are sick and are concerned about COVID-19. Contact a health professional before you start any self-treatment for COVID-19.

Know where and how to get treatment and other support services and resources, including counseling or therapy (in person or through telehealth services).

Take care of your emotional health. Taking care of your emotional health will help you think clearly and react to the urgent needs to protect yourself and your family.

Take breaks from watching, reading, or listening to news stories, including those on social media. Hearing about the pandemic repeatedly can be upsetting.

Take care of your body.

- Take deep breaths, stretch, or meditate[external icon](#).
- Try to eat healthy, well-balanced meals.
- Exercise regularly.
- Get plenty of sleep.
- Avoid excessive alcohol and drug use.

Student Wellness

The University of Connecticut is committed to supporting students in their mental health, their psychological and social well-being, and their connection to their academic experience and overall wellness. The university believes that academic, personal, and professional development can flourish only when each member of our community is assured equitable access to mental health services. The university aims to make access to mental health attainable while fostering a community reflecting equity and diversity and understands that good mental health may lead to personal and professional growth, greater self-awareness, increased social engagement, enhanced academic success, and campus and community involvement.

As each day brings new updates, possibly with worrying or confusing information about COVID-19 (coronavirus), we each respond to this stress in our own ways. Everyone is different—our various thoughts, emotions and reactions are normal in the face of such widespread uncertainty.