

Intermediate Microeconomic Theory

Fall 2013

Instructor: Professor Yongmin Chen

Office: Econ 112

Class Time and Location: 11:00-12:15, TR; GUGG 205

Office Hours: 3:30-5:30 PM, Tuesday; 9:30-10:30 AM, Thursday

Website: <http://spot.colorado.edu/~cheny/>

Course Description: This course studies the behavior of individual economic agents and their interactions. The course is roughly composed of four parts. Part 1 introduces the basics of microeconomic analysis, and serves as a quick review of some basic economic concepts. Part 2 studies consumer behavior and market demand. We will study how a consumer may make optimal choices, how individual demands are formed, and how market demand can be derived. Part 3 discusses the firm's technologies, production functions and production costs. We shall see how firms can make the optimal input choices to minimize production costs. This lays the foundation for the study of behavior of firms under different forms of market structure. Part 4 integrates the previous materials into models of prices and outputs. We will also cover topics in game theory and business strategies, as well as discuss economic efficiency and public policy issues.

The presentation of the course is at the intermediate level. **In order to take this course, you must have passed an introductory course in economics or microeconomics, and have some working knowledge of calculus.**

Course Materials: The textbook is *Microeconomics, 4th edition*, by David Besanko and Ronald Braeutigam, published by John Wiley & Sons, Inc. I will indicate the required readings below.

Grading: Grades are based on homework and class attendance (15%), midterm exam 1 (25%), midterm exam 2 (30%), and a final exam (30%). **You are required to attend all classes.** If you must miss a class, please inform me in advance. You are encouraged to form study groups to discuss homework and lecture materials. All exams will be in closed-book forms.

How to Study effectively in this Course: I suggest that you **read the assigned materials before each class**, so that you are prepared when you come to class. After each class, I suggest that you **have a quick review within one day**. It's very important that you complete all homework on time. If you have questions, try to have them answered before we move on to new materials, and you are encouraged to ask questions during class.

The course materials are arranged by topics, and each topic is usually covered over several lectures. There is a homework assignment for each topic, which is due at the beginning of the first class for the next topic. You can start working on some problems in an assignment before I

finish the topic. Below is a tentative course schedule. There can be changes to this schedule

10. Game Theory and Strategic Behavior Ch 14

HW 11: pp. 597-600: #14.1, 14.2, 14.3, 14.4, 14.5, 14.11, 14.12.

11. Risk and Information Ch 15

FINAL EXAM: Tuesday, December 17, 4:30-6:00 PM

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