ECON205D Intermediate Microeconomics II
Spring 2018, Tuesdays and Thursdays, 1:25 – 2:40

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Course Overview

This course introduces students to economic models of individual decision-making. We start by studying consumer preferences and utility function, and then move on to consider firms and production functions. We then study the market and the strategic behavior of economic actors. The main goal is to provide the students with a solid background of the tools of microeconomic analysis as well as improving their problem solving skills. We will therefore study the basic microeconomic concepts in a rigorous way and use calculus as well as algebra.

Textbook

There is one required textbook for the course.

- Walter Nicholson and Christopher Snyder, *Microeconomic Theory: Basic Principles and Extensions*, 12th Edition. 2016. Thomson-Southwestern.

Homework - Problem Sets

Students will have a week to complete the problem sets. We will not accept late submissions unless you have a medical emergency or equivalent documented catastrophes. Students will submit problem sets to Sakai each week, and we will keep a record of who handed them in and provide a solution set. We will post the solutions on Sakai. At the end of the term, we will look at the problem sets of those students whose course grade (in absence of homework grade) is close to the borderline of a higher grade. If problem sets were handed in consistently and the quality of the work was good, we will then adjust grades for students who are close to a higher grade upward.

TA Sections

In addition to the lectures, students will also be attending a weekly review section taught by a teaching assistant. These sections are designed to help you understand how to apply the concepts studied in class. We will post the problems for the sections on Sakai at least a day before the first scheduled section for the week. You will benefit the most from the TA section if you invest some time working on the problems and go prepared to ask questions in class. Although we will provide the solutions to the section problems at the end of the week, they are no substitute to attending the section because the solutions are in no way detailed, and they might not help you gain a good understanding if you are struggling with applying a particular concept.

Exams

There will be two midterm exams and a cumulative final exam. Exams will be closed-book and closed-note. I encourage students to use a calculator and a ruler in the exams.

Grading

Midterm exams (30% each), Final exam (40%), Homework (as explained above)

Re-grading

If you believe that there was an error in grading your exam, you have to write out on a piece of paper the number of the problem that you believe an error has occurred along with the reason why you believe your answer deserves more points, and then submit this to the head TA. *Note that you have to make your request within a week after exams have been returned, and late requests will not be accepted.* The head TA will review your regrade request, and if he and I think that your request is legitimate, then we will adjust your grade accordingly. *Note that, because errors can go in both directions, your entire exam will be regraded.*

Make-up Exams

I WILL NOT give make-up exams for midterm exams. If a student misses a midterm exam and has a dean's excused absence, then his/her final exam will count for 70% of his/her final grade. I will give a make-up final exam if a student misses the final exam and has a dean's excused absence.

Academic Dishonesty

Academic dishonesty will not be tolerated. Representing someone else's work as their own or to cheat in any other manner will be pursued with disciplinary action and will result in an "F" grade for the class. See www.integrity.duke.edu/ugrad/student.html

Tentative **Class Schedule**

January 11

Welcome and Introduction

January 16

Chapter 2: Mathematics for Microeconomics

January 18, 23

Chapter 3: Preferences and Utility

January 25, 30

Chapter 4: Utility Maximization and Choice

February 1, 6, 8

Chapter 5: Income and Substitution Effects

February 13

Chapter 6: Demand Relationship Among Goods

February 15

FIRST MIDTERM EXAM: closed-book, closed-note, in-class exam.

February 20

Chapter 9: Production Functions

February 22, 27, March 1

Chapter 10: Cost Functions

March 6

Chapter 11: Profit Maximization

March 8

Chapter 12: The Partial Equilibrium Competitive Model

March 13, 15

Enjoy Spring Break!

March 20

SECOND MIDTERM EXAM: closed-book, closed-note, in-class exam.

March 22, 27

 Chapter 12: The Partial Equilibrium Competitive Model, continued

March 29, April 3, 5

Chapter 13: General Equilibrium and Welfare

April 10, 12

Chapter 14: Monopoly

April 17, 19

Chapter 8: Games and Strategy

April 24

Chapter 15: Imperfect Competition

Should we have time to cover more topics, we can choose from
Chapter 18: Asymmetric Information
Chapter 19: Externalities and Public Goods

CUMULATIVE FINAL EXAM: May 3, 2018 Thursday, 9:00am – 12:00pm, closed-book, closed-note, in class exam.