

Professor Lixin Ye
Office Hours: Tuesdays 1:30 - 3:30PM, 449A Arps Hall

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Economics 4001.03: Intermediate Microeconomics Spring 2018

This is the most advanced version of (calculus-based) intermediate microeconomics, which is meant for technically proficient students. The prerequisite is familiarity with basic concepts in calculus such as derivatives, partial derivatives, and total derivatives. This course will provide you with the basic mathematical tools necessary to tackle economic problems in a systematic way, and develop basic economic intuitions that can help you understand economic puzzles or policy problems. These two goals are inherently linked: the first provides a general analytical framework to think about the world around you and the second develops intuitions from that framework. Those of you who intend to pursue further studies in economics will require the tools developed in this class for later course work, while those with only a casual interest in economics, I hope, will be able to use the intuitions from this course to make more sense of the world around you.

Required Text:

Jeffrey M. Perloff, *Microeconomics: Theory and Applications with Calculus*, 4th edition, Addison-Wesley.

The text will provide the basic framework for this course, but my lecture notes will be supplemented by substantial materials not covered in the text.

Grading:

Your course grade will be computed as follows: 20% Homework, 30% Midterm Exam, 50% Final Exam. There will be (roughly) bi-weekly homework assignments, which will be graded by your course TA. No late homework will be accepted. No make-up exam for the midterm will be given; students who have a pre-approved excuse for missing the midterm will have the final exam counted for 80% of the grade.

Course TA:

Masashi Hino
Email: hino.4@buckeye.osu.edu
Office hours: Wednesdays 1:30 - 2:30PM

Course Website:

I will post important class announcements and teaching materials (lecture notes, homework, homework solutions) to the course website via Carmen.

Course Outline (tentative):

1. Introduction (Ch. 1)

Course overview, allocation of scarce resources, introduction to constraint optimization, equilibrium analysis, comparative statics analysis; review of calculus.

2. Supply and Demand (Ch. 2)

Demand/supply function, market equilibrium, elasticities, applications of supply and demand analysis.

3. Consumer Theory (Ch. 3-5)

Preferences, indifference maps/curves, utility functions, marginal utilities, marginal rate of substitution, budget constraint, utility maximization, expenditure minimization, demands, effects of an increase in income, effects of a price increase, substitution and income effects, deriving labor supply curve, consumer surplus, applications.

3. Production Theory (Ch. 6-7)

Production functions, isoquant, marginal rate of technical substitution, marginal and average products, elasticity of substitution, return to scale; opportunity costs, economic costs, marginal costs, cost minimization, input demand, cost function; long-run vs. short-run.

4. Perfect Competition (Ch. 8-9)

Perfect competition, profit maximization, short-run, long-run equilibrium, producer surplus, applications: using the perfect competition model to analyze public policy interventions.

5. General Equilibrium (Ch.10)

Competitive equilibrium in two interrelated markets, exchange economy with two people, competitive exchange, production and trading, efficiency and equity.

6. Market Structures Other than Perfect Competition (Ch. 11, 13)

Monopoly, monopoly profit maximization, welfare effect of monopoly; Introduction to game theory and oligopoly analysis.

Academic Misconduct

It is the responsibility of the Committee on Academic Misconduct to investigate or establish procedures for the investigation of all reported cases of student academic misconduct. The term “academic misconduct” includes all forms of student academic misconduct wherever committed; illustrated by, but not limited to, cases of plagiarism and dishonest practices in connection with examinations. Instructors shall report all instances of alleged academic misconduct to the committee (Faculty Rule 3335-5-487). For additional information, see the Code of Student Conduct (http://studentaffairs.osu.edu/resource_csc.asp).

Students with disabilities that have been certified by the Office for Disability Services will be appropriately accommodated, and should inform the instructor as soon as possible of their needs. The Office for Disability Services is located in 150 Pomerene Hall, 1760 Neil Avenue; telephone 292-3307, TDD 292-0901; <http://www.ods.ohio-state.edu/>.