

Professor Lixin Ye
Office hours: Thursday 1:30-3:30PM, 417 Arps Hall

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Economics 501.02: Intermediate Microeconomics Spring 2008

This is a calculus-based intermediate course in microeconomics. This course has essentially two goals. The first is to provide you with the basic tools necessary to tackle economic problems in a systematic way, and the second is to 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 framework to think about the world around us 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 of you with only a casual interest in economics will, I hope, be able to use the intuitions from this course to make more sense of the world around you.

Required text:

Walter Nicholson and Christopher Snyder, *Microeconomic Theory*, 10th edition, Thomson/Southwestern.

The textbook is available at the bookstore. The lecture will cover substantial material not contained in the book.

Grades:

Your course grade will be computed as follows: 20% Homework, 30% Midterm Exam, 50% Final Exam. I do, however, reserve the right to count the final exam more heavily for those who do exceedingly well on it. There will be 6 homework assignments, which will be graded by your TA. 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 Website:

<http://www.econ.ohio-state.edu/lixinye/Econ501.02>

I will post important class announcements and teaching materials (lecture notes, homework, homework solutions) to this website.

Course TA:

Shinya Horie
Office Hour: Tuesday 9:30-10:30AM

Office: 321 Arps
e-mail: horie.4@osu.edu
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Course Outline:

1. Introduction (approx. 2 classes, Nicholson-Snyder Ch. 1-2)

Course overview; introduction to constraint optimization, equilibrium analysis, comparative statics analysis; review of mathematical tools.

2. Consumer Theory (approx. 6 classes, Nicholson-Snyder Ch. 3-6)

Preferences; indifference curves; utility functions; budget constraints; optimal consumer choices; demands; market demand and elasticity; substitution and income effects.

3. Producer Theory (approx. 5 classes, Nicholson-Snyder Ch. 9-11)

Neoclassical model of the firm; production functions; marginal products; return to scale; cost minimization; input demand; cost function; long-run vs. short-run; profit maximization.

4. Perfect Competition (approx. 3 classes, Nicholson-Snyder Ch. 12)

Perfect competition; short-run, long-run equilibrium; consumer surplus, producer surplus; applications: using the perfect competition model to analyze public policy interventions (e.g., taxation, subsidy, price control, and quantity quota).

5. Imperfect Competition (approx. 1 classes, Nicholson-Snyder Ch. 14-15)

Monopoly; price discrimination; introduction to oligopoly and game theory.

Students with disabilities that have been certified by the Office for Disabilities Services will be appropriately accommodated, and should inform the instructor as soon as possible of their needs.