

CARLETON UNIVERSITY, Department of Economics

ECON 2020B: Intermediate Microeconomics I: Producers and Market Structure (Fall 2024)

Instructor: Prof. Zhihao Yu (Email: zhihao.yu@carleton.ca)

Instructor's Office Hours: TBA (Loeb B852)

Lectures: Wednesdays and Fridays 10:05am – 11:25am

Tutorials: Wednesdays 11:35-12:55

TA: TBA

PREREQUISITES:

The prerequisites for this course are ECON 1001 or ECON 1000 or FYSM 1003 with a grade of C- or higher; ECON 1401 (or equivalent) with a grade of C- or higher; and ECON 1402 (or equivalent), which may be taken concurrently with ECON 2020. Students lacking the necessary requirements will be de-registered. If you believe that you have an equivalent background or a similar course from other university, then you must contact the Department of Economics Undergraduate Administrator.

OBJECTIVES:

The objective of this course is to study the theory of firm, production, and market competition, including elements of production and cost; input allocation, pricing, and firm behavior under perfectly and imperfectly competitive market structures; the role of information; game theory and public policy.

REQUIRED TEXTBOOK:

Microeconomics: Theory and Applications with Calculus, 5th edition, by Jeffrey M. Perloff, 2020

(Optional: Additional study materials are available via MyLab Economics with Pearson eText – check with CU Bookstore. **Pearson MyLab Economics Course ID:** TBA)

A useful link for refreshing Math skills in Economics:

https://www.economicsnetwork.ac.uk/maths_refresher/

WEEKLY TUTORIALS:

The main purpose of the tutorials is to give students guidance in working through problems and applications (in either MC and problem-solving exercises) of intermediate microeconomic theory covered in the lectures and in the textbook. Detailed schedule of these tutorials (run by a Teaching Assistant) will be available after the semester begins. The teaching assistant(s) may also spend some time answering students' questions about course materials.

WEEKLY HOMEWORK:

Class attendance and reading the course materials are essential. The textbook has “solved problems” for most chapters, which provide good examples of self-learning practice. In addition, I will provide several exercises from each chapter covered during the course. Although these exercises will not be formally graded (due to TA resource constraints), your TA will discuss them in detail during the weekly tutorials. You will receive 1 mark each week if you submit your finished weekly homework, up to a maximum of 10 marks.

EVALUATION:

Weekly homework (submit within 48 hours after each tutorial): 10%

Class Participation¹: 10%

In-class/person Midterm 1: 30% (Module I) on **October 11 (Friday)**

In-class/person Midterm 2: 35% (mainly Module II, and Module I) on **November 22 (Friday)**

In-class/person Midterm 3: 15% (mainly Module III, and Module I or II) on **December 4 (Wed)**

EXAMINATIONS:

Important: (i) A student will receive a zero mark for the missing a midterm unless he/she submits a e-copy of the **Self-declaration for Academic Consideration From** (<https://carleton.ca/registrar/wp-content/uploads/self-declaration.pdf>) to the Instructor, either before the exam or within 48 hours after. (ii) the deferred midterm will either be combined into the subsequent midterm (i.e. you will then write a different midterm with the combined weights) or be scheduled by the Department of Economics within a week (note: even though the time might not be good for you if we have multiple cases). A maximum of missing one midterm is permitted.

Plagiarism

Please be aware that plagiarism is a serious offence at Carleton and should be recognized and avoided. For further information on how to do so, please see <https://carleton.ca/economics/plagiarism-resources-and-accommodations/>

Academic Accommodation: You may need special arrangements to meet your academic obligations during the term. For an accommodation request, please visit: students.carleton.ca/course-outline

COURSE OUTLINE (The exercises for the homework can be found at the end of each chapter)

Introduction: Chapter 15 (Section 15.2)

Module I

Chapter 6: Firms and Production (2)

Homework: Chapter 6 Exercises 3.4, 3.6, 4.5, 4.7, 4.12, 5.3, 5.4, 6.4

Chapter 7: Costs (3)

Homework: Chapter 7 Exercises 2.7, 2.10, 3.2, 3.7, 3.9, 4.2, 4.3, 6.3

Ch 8: Competitive Firms and Markets (3)

Homework: Chapter 8 Exercises 2.6, 2.7, 3.4, 3.11, 3.14, 3.17, 4.4, 4.15

Module II

Chapter 11: Monopoly (excl §11.7) (2.5) (Self-reading: §2.5 in Chapter 2)

Homework: Chapter 11 Exercises 1.4, 1.5, 1.8, 1.9, 2.3, 2.4, 2.5, 3.1, 3.2, 4.1, 5.3

Chapter 12 (excl §12.6): Pricing and Advertising (2.5)

Homework: Chapter 12 Exercises 2.1, 3.7, 3.8, 4.2, 5.2, 7.2, 7.3.

Chapter 13 (excl §13.4 - §13.5): Game Theory (2)

Homework: Chapter 13 Exercises 1.5, 1.8, 1.11, 2.1, 3.3

Chapter 14: Oligopoly and Monopolistic Competition (3)

Homework: Chapter 14 Exercises 2.2, 3.1, 4.1, 5.3, 5.4, 5.5, 6.5

¹ Students who miss more than half of the classes will not be allowed to write the Tests (if written, their exams will not be graded).

Module III

Chapter 15 (§15.1): Factor Markets (and §11.7 in Chapter 11 on Monopsony) (2)

Homework: Chapter 15 Exercises 1.5, 1.6; Chapter 11 Exercise: 7.5

Chapter 15 (§15.2-15.3): Factor Markets (2)

Homework: Chapter 15 Exercises 2.1, 2.18, 3.1, 3.2