

SEMINAR IN MICROECONOMIC ANALYSIS
ECON 201
Fall 2024

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| Instructor: | Kevin Chiu | Email: kevin.chiu01@sjsu.edu |
| Meeting Days: | Tues 6:00pm-8:45pm | Meeting Location: DMH 166 |

Office Hours: Tuesday in DMH 138 at 5:00pm-6:00pm or by Appointment (Zoom).

Course Description:

This course will cover Advanced analysis of costs, pricing, revenue, market structures, economic efficiency, rates of wages, rent, interest, profits, and allocation of resources; analytical models and economic equilibrium.

More specifically, this class will derive and build up the important microeconomics models. In undergraduate microeconomics the derivation of the models is often neglected. We often use the models but do not discuss what is going on in the background. Unlike undergraduate microeconomic courses where the focus is teaching you how to use models, this course will teach you how the models work. By doing so, you can get more precise predictions and not fall into common fallacies. This will require a solid grasp of logic, mathematical techniques, and economic intuition.

We will focus on three areas that are most commonly studied, Consumer Theory, Producer Theory, and Game Theory.

Pre-requisites:

ECON 101 and ECON 104, or instructor consent

Learning Objectives

- (PLO 1) Microeconomics
- (PLO 2) Specialist Area (Policy Economics, Quantitative Methods)
- (PLO 5) Communication

Upon successful completion of this course, the student should be able to demonstrate the following:

- (CLO 1) Explain how formal models of rational behavior help us better understand the formation of and individual responses to changes.
- (CLO 2) Students will be able to analyze problems in welfare economics and be able to model how government intervention in markets.

Textbook(s):

Recommended: Nicholson, W., & Snyder, C. (1997). *Microeconomic Theory: Basic Principles and Extensions*. Harcourt Brace College Publishers.

Supplemental: Jehle, G. & Reny, P. (2011) *Advanced Microeconomic Theory*. 3rd Edition, Financial Times Prentice Hall, London.

Supplemental (PhD:) Mas-Colell, A., Whinston, M., & Green, J. (1995) "Microeconomic Theory," Oxford University Press, Oxford.

Assessments & Grading Policy:

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| Practice Problem Sets (15x) | (150 points) |
| Challenge Problems (4x) | (200 points) |
| Midterm | (300 points) |
| Final Exam | (350 points) |

Practice Problem Sets:

There are weekly problem sets, each worth 10 points. They will be posted on Canvas. These are graded for completion with the goal of giving you practice on the tools you should be learning. It is up to you to determine if your answers are correct. I will only accept late work under documented circumstances.

Challenge Problem Sets:

Weeks 4, 7, 11, and 13, you will have a challenge problem set due. These are worth 50 points each. These problem sets are more applied and involve using the tools of microeconomics to solve larger and more general problems. These are graded based on correctness.

Exams:

The **midterm exam** will be given week 8, worth 250 points (25% of your final grade). *If and only if you* miss the midterm with an excused absence, can choose to allocate those points to the final exam (making it 50% of your grade) or schedule a make-up midterm. Make-up midterms must be taken within a week.

The **final exam** is cumulative and will be assigned during finals week.

General Expectations, Rights, and Responsibilities of the Student

As members of the academic community, students accept the rights and responsibilities incumbent upon all institution members. Students are encouraged to familiarize themselves with SJSU's policies and practices about the procedures to follow if and when questions or concerns about a class arise.

To learn important campus information, view University Policy S90-5 and SJSU's current semester's Policies and Procedures.

In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not address the issue, it is recommended that the student contact the Department Chair as the next step.

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the Academic Calendars.

Students should be aware of the SJSU Late Drop Policy and current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the Advising Hub.

Consent for Recording of Class and Public Sharing of Instructor Material

University Policy S12-7 requires students to obtain the instructor's permission to record the course and the following items to be included in the syllabus:

"Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material."

It is suggested that the "green-sheet" include the instructor's process for granting permission, whether in writing or orally, and for the whole semester or on a class-by-class basis.

In classes where the active participation of students or guests may be on the recording, the permission of those students or guests should also be obtained.

“Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

Academic Integrity

Your commitment, as a student, to learning, is evidenced by your enrollment at San Jose State University. The Academic Integrity Policy (F15-7) requires you to be honest in all your academic coursework.

A growing concern is the use of artificial intelligence (AI) chatbots to write entire essays and articles. While it may be tempting to use AI in this way, please be aware that this is also considered a form of plagiarism.

To see why, take a look at section 1.2 from SJSU’s Academic Integrity Policy:

F15-7, University Policy, Academic Integrity

San José State University defines plagiarism as the act of representing the work of another as one’s own without giving appropriate credit, regardless of how that work was obtained, and submitting it to fulfill academic requirements.

Notice the parts of the policy that have been italicized for emphasis. These highlight a couple of important things:

Doing academic work requires that the work you turn in is your own. A paper that is written by AI is not considered your own original work. It doesn’t matter which AI program/software you use. Using any of these to write your papers is considered a form of plagiarism. It is important to note that tools that check your writing are okay to use. Examples can include the autocorrect feature in Google Docs and the app Grammarly. These tools, which scan pieces of writing for errors and/or make suggestions for edits, are very different from AI programs that write entire papers. The key difference is that it is your own original writing that is being scanned for possible mistakes versus AI that does all the writing for you.

Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. Refer to the Student Conduct and Ethical Development website.

Campus Policy in Compliance with the American Disabilities Act

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours.

The Presidential Directive requires that students with disabilities requesting accommodations should register with the Accessible Education Center (AEC).

Accommodation for Students’ Religious Holidays

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester.

If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the instructor’s responsibility to make every reasonable effort to honor the student’s request without penalty and for the student to make up the work missed. See University Policy S14-7.

| Week | Date | Topic | Textbook Chapter | Due Dates and Exam Dates |
|--------|-----------------------------|--|---------------------------------------|--|
| 1 | August 27 | Course Overview, Math Review | Chapter 2 | Practice Set 1 |
| 2 | September 3 | Preferences and Utility, Choice | Chapter 3 | Practice Set 2 |
| 3 | September 10 | Consumer Behavior (Demand) | Chapter 4 | Practice Set 3 |
| 4 | September 17 | Production | Chapter 7 | Practice Set 4, Challenge Problems 1 |
| 5 | September 24 | Costs | Chapter 8 | Practice Set 5 |
| 6 | October 1 | Profit Maximiation | Chapter 9 | Practice Set 6 |
| 7 | October 8 | Partial Equalibirum | Chapter 10 Chapter 11 (First half) | Practice Set 7, Challenge Problems 2 |
| 8 | October 15 | Midterm | Midterm | Practice Set 8, Midterm |
| 9 | October 22 | Uncertainty | Chapter 5 | Practice Set 9 |
| 10 | October 29 | Game Theory | Chapter 6 | Practice Set 10 |
| 11 | November 5 | Imperfect Markets (Monopoly) | Chapter 12 Chapter 13 | Practice Set 11 Challenge Problem 3 |
| 12 | November 12 | Imperfect Markets | Chapter 12 Chapter 13 | Practice Set 12 |
| 13 | November 19 | Market Failures (Asymetric Information) | Chapter 16 | Practice Set 13 Challenge Problems 4 |
| 14 | November 26 | Market Failures (Externalities and Public Goods) | Chapter 17 | Practice Set 14 |
| 15 | December 3 | Review for Finals | - | Practice Set 15 |
| Finals | December 17 (5:15PM-7:30PM) | Final Exam | - | Final |