

ECON 517 - Microeconomic Theory for MPP (4 Credits)
Fall 2020 (Sep 23 - Dec 4)

Instructor: Hoang Pham

- Email: hoang.pham@oregonstate.edu

Lectures: This course will be held remotely. Our remote lectures involve two components:

- *Asynchronous lectures:* recorded videos posted on **Canvas** (\approx **1 hours 20 minutes**)
- *Synchronous meetings:* via **Zoom (30 minutes)**. These meetings are scheduled for Monday and Wednesday from 03:20 - 03:50 PM. See Zoom classroom norms below.

Office hours: Thursday from 2:00 - 3:00 PM via **Zoom**

Course Description: This course presents core theories of microeconomics and its applications. Topics covered include consumer theory, firm (producer) theory, competitive markets, imperfect markets. Basics of game theory and public goods will also be covered. Economic modeling and analytical problem-solving tools are emphasized continuously throughout the course. This course will be equivalent to an intermediate microeconomic course.

Learning Outcomes: At the end of this course, students will:

1. Develop critical and deductive reasoning skills, demonstrate an understanding of the modeling methods and core principles of microeconomic theory.
2. Demonstrate proficiency of the theories of demand and supply, consumer theory, firm (producer) theory, competitive markets, imperfect markets.
3. Be able to evaluate the social benefits and costs of free markets and government interventions.

Prerequisites: A working knowledge of algebra and geometry is necessary. If you have questions on math concepts, please contact me. The first lecture is designed to address any math deficiencies you may have prior to engaging with the material.

Course Design: Students are required to watch recorded lectures **prior** to each class meeting. These videos will be made available to students on Canvas **at 12:00 AM on Monday and Wednesday**. The synchronous meetings will be used to go over examples,

practice problems, and address any questions you might have about materials covered in the recorded lectures. Meeting participation is required.

Required Textbook:

- **Microeconomics**, 9th edition, by Robert S. Pindyck and Daniel L. Rubinfeld. The textbook is available at OSUs bookstore, Amazon or other online retailers. ISBN for the textbook is 978-0134184241. A copy of this edition is available in the library.
- The 8th edition of this textbook is acceptable for most content. There are differences though, mostly in examples. Let me know if you cannot find any content using this edition.

Supplemental Books/References:

- **Principles of Microeconomics** by N. Gregory Mankiw for a basic review.
- **Intermediate Microeconomics: A Modern Approach** by Varian, Hal R. for a more calculus-oriented approach.
- **The Economy** by the CORE team (free, open-source e-book) for an alternative introductory book on the big picture of the world economy and policy issues.

Course Assessments: Scores on microeconomic theory exams tend to be low, so grades will be based on a broad-based curve. Note that the quarter-based academic calendar at OSU tends to be fast-paced. Heavy workload should be expected.

- 5-minute in-class quizzes (5%)
- Five problem sets (4% each \times 5 = 20%)
- Three exams (70%)

Midterm 1 - Consumer Theory (20%)

Midterm 2 - Firm (Producer) Theory (20%)

Final Exam - Competitive and Imperfect Markets/Game Theory/Public Goods (30%)

- Writing assignment (5%)

In-class Quizzes: There will be regular in-class quizzes. The main goals are to help review basic material and to enforce you to watch recorded lectures. They are also used to count participation. You get full 5% if you participate in most (80% of the) meetings.

Problem Sets: There will be five problem sets (PSs), due almost every 1-2 week. You are encouraged to work together on these problems. Each of you must however submit your own completed problem sets.

Exams: There will be three separate exams. Your best exam score will be worth 30% of the total class grade. The remaining exam scores will each represent 20% of your final course grade. You will have the entire class period to complete the exam. Tentative final exam date is December 7, from 2:00 - 3:50 PM.

Absence from exams is excused only under the most extreme circumstances. To obtain an excused absence, you must notify me at least one week prior to the exam.

Writing Assignment: There will be a short writing assignment (WA), due on December 11, 5:00 PM. You are asked to read the following review paper on behavioral economics and write a short summary (no more than 300 words) of what you read. You can opt to write about **only one** section of the paper (section 2, 3, 4 or 5). The goal of WA is to expose you to the new literature without diluting the core theory, not to evaluate your knowledge on these topics. Clear and concise writing should be emphasized.

DellaVigna, “**Psychology and Economics: Evidence from the Field**”, *Journal of Economic Literature*, 2009.

Grade Scale

Grade	% Range
A	90 - 100
A-	85 - 90
B	75 - 85
B-	70 - 75
C	60 - 70
C-	55 - 60
D	≤ 55

Logistics (Subject to Changes): Our course operates on Canvas. Since remote learning is new, we will adjust logistics as the course progresses. Please refer to this [online learning resources](#) for OSU students if you need any help.

Almost all items (lectures, quizzes, problem sets, writing assignment, and exams) will be posted on Canvas. It is each student's responsibility to get used to Canvas and check the website regularly. I will also make regular announcements about any new updates.

To submit PSs or exams, you can write up your answer in paper and submit a photo/scanned copy of your writings. Note that having access to a microphone and a camera is a requirement to enroll in this course for Fall 2020. Writing in a text software such as Microsoft Office or Latex also works, but I suspect this will be more time-consuming. Quizzes and WA can be written and submitted directly through Canvas.

During exams, which will be held via Zoom, I ask that you turn on your camera. This helps me to proctor your exams and ensure integrity.

Zoom Classroom Norms: Our scheduled synchronous meetings are conducted via Zoom. The sense of community is enhanced when we show our faces on video camera. For this reason, where possible I encourage you to keep your video camera turned on.

When participating in meetings please consider the following tips. These will help us to have a smooth and enjoyable session.

- Set your name and add pronoun or pronunciation.
- Mute mics when you're not contributing.
- Make sure there is a light source in front of you.
- If you do not want to share a video or cannot because of internet bandwidth issues, please add your name and a picture under setting.
- You can ask questions or add comments by "raising hand" or typing in chat box.
- Be respectful in your spoken words, chat, and videos.

Academic Integrity and Expectations for Student Conduct: Please refer to [link to Student Conduct Code](#).

Students with Disabilities: Please refer to [DAS website](#). Contact me prior to or during the first week of the term to discuss accommodations.

Course Outline
(Subject to Changes, (*) = Required Readings)

Timeline	Topics and Readings	Notes
	1. Introduction to Microeconomics and Math Review	
Week 0	(*) Chapter 1 H. Varian, “How to Build an Economic Model in Your Spare Time”, <i>The American Economist</i> , 1997.	
Week 1	2. Overview of Microeconomics - The Basics of Supply and Demand (*) Chapter 2	
	3. Consumer Theory and Demand	
Week 2-3	(a) Consumer Behavior (*) Chapter 3 (b) Individual and Market Demand (*) Chapter 4	Midterm 1
	4. Producer Theory and Supply	
Week 4-6	(a) Production Theory (*) Chapter 6 & 7 (b) Profit Maximization and Competitive Supply (*) Chapter 8	Midterm 2
Week 6-7	5. (Perfectly) Competitive Markets (*) Chapter 9	
	6. Imperfect Markets	
Week 6-7	(*) Chapter 10 (Section 10.2-10.4 & 10.7) Chapter 12 (Section 12.2)	
Week 8-9	7. Basic Game Theory (*) Chapter 13 (Section 13.1-13.3)	
Week 8-9	8. Externalities and Public Goods (*) Chapter 18	
Week 10	No Class	Final Exam WA Due