



JOHN CABOT UNIVERSITY

COURSE CODE: "EC 301"
 COURSE NAME: "Intermediate Microeconomics"
 SEMESTER & YEAR: Spring 2022

SYLLABUS**INSTRUCTOR:** Francesco Ruscitti**EMAIL:** fruscitti@johncabot.edu**HOURS:** MW 3:00 PM 4:15 PM**TOTAL NO. OF CONTACT HOURS:** 45**CREDITS:****PREREQUISITES:** Prerequisites: EC 201, EC 202, MA 198**OFFICE HOURS:** After class and by appointment. To make an appointment, just approach me in class or send me an email ahead of time.**COURSE DESCRIPTION:**

This course delves deeper into the foundations of microeconomic theory, and analyzes the subject from a theoretical rather than practical point of view. Students will become familiar with the tools used by microeconomists in the analysis of consumer and producer behavior. The first part of the course reviews consumer theory and discusses budget constraints, preferences, choice, demand, consumer's surplus, equilibrium, externalities, and public goods. The second part of the course reviews producer theory: technology, profit maximization, cost minimization, cost curves, firm and industry supply, and monopoly.

SUMMARY OF COURSE CONTENT:

Note: Calculus (college-level calculus) and Principles of Microeconomics are both prerequisites for this course. Hence, knowledge of college-level calculus and of basic microeconomics is necessary and will be assumed. It is your responsibility to make sure that you meet the prerequisites for this course. It is important that you be proficient with calculus and basic microeconomics.

Note: This is a preliminary draft of the syllabus. When the semester starts, I will post the official version of the syllabus (including all of my policies and the dates of the exams) that will be much more detailed than this draft.

Note: *One of the graded assignments in this course will be based on a seminal paper in economics that you have to study and understand. Be advised that comprehension of the paper requires constant effort, mentoring and guidance. Thus, if you are not willing or committed to working hard and attending every lecture I am afraid that you should not take this course.*

This course covers mainstream Microeconomic Theory at an intermediate level with the aid of analytical tools (algebra, calculus and graphs) and abstract models. Time permitting, we will study the theory of consumer choice, asset markets, choice under uncertainty with applications to portfolio-choice with risky assets, the functioning of markets with incomplete information. Time permitting, we will examine recent developments in economic analysis, such as asymmetric information (and its implications in terms of market outcomes and efficiency), principal-agent models and optimal contracts.

LEARNING OUTCOMES:

First and foremost, this course aims at fostering students' ability to think and reason in a rigorous and analytical fashion. The objective is that students learn to apply basic tools of microeconomic analysis in a rigorous fashion. The purpose of this course is to provide a fairly in-depth knowledge of Microeconomics. Students will be exposed to more advanced topics (relative to EC 201), and to the current frontiers of Microeconomics examined at an intermediate level. Note that this course serves as a baseline and building-block for more advanced studies in Economics and in any fields of Social Sciences.

Referring to the learning outcomes (LOS) of the Economics and Finance major (that are posted online), upon successful completion of this course students will:

LOS 1: Build a solid understanding of and knowledge base in microeconomics.

LOS 2: Develop critical-thinking skills and learn to apply microeconomic analysis to understand economic events and everyday problems.

LOS 5: Develop adequate training in mathematical methods to develop problem-solving skills,

perform proofs and prepare for further graduate studies in the areas of economics and finance.

LOS 6: Master solid communication skills that enable them to formulate a well-organized argument and communicate effectively in written and graphical form about specific economic and financial issues.

TEXTBOOK:

Book Title	Author	Publisher	ISBN number	Library Call Number	Comments
Intermediate Microeconomics. A Modern Approach (International student edition, 8th edition)	Hal R. Varian	WW Norton & Company	ISBN: 978-0- 393-93424-3		

REQUIRED RESERVED READING:

NONE

RECOMMENDED RESERVED READING:

NONE

GRADING POLICY

-ASSESSMENT METHODS:

Assignment	Guidelines	Weight
Midterm exam 1	The exam will be worth 100 points. It will cover all the material taught up until the class before the exam day. Multiple-choice questions and also open-ended questions whereby students are asked to carry out formal analysis and prove formal claims. Regardless of the format, the questions will be analytical in nature.	20%
Midterm exam 2	The exam will be worth 100 points. It will cover all the material taught from Midterm exam 1 onward. Multiple-choice questions and also open-ended questions whereby students are asked to carry out formal analysis and prove formal claims. Regardless of the format, the questions will be analytical in nature. Students might be required to study a seminal economics paper assigned by the instructor. Therefore, a couple of questions could be about the paper and students should be prepared to write a formal abstract summarizing the paper's main insights and results.	35%
Final exam	The exam will be worth 100 points. It will be cumulative (i.e., comprehensive), that is it will be about all the material covered throughout the course. Multiple-choice questions and also open-ended questions whereby students are asked to carry out formal analysis and prove formal claims. Regardless of the format, the questions will be analytical in nature. Students might be required to study a seminal economics paper assigned by the instructor. Therefore, a couple of questions could be about the paper and students should be prepared to write a formal abstract summarizing the paper's main insights and results.	45%

-ASSESSMENT CRITERIA:

AWork of this quality directly addresses the question or problem raised and provides a coherent argument, displaying an extensive knowledge of relevant information or content. This type of work demonstrates analytical skills, and the ability to critically evaluate concepts and theory and has an element of novelty and originality. There is clear evidence of a significant amount of reading beyond that required for the course. 93-100: A 90-92.99: A-

BThis is a competent level of performance and directly addresses the question or problem raised. There is a demonstration of some analytical skills and ability to critically evaluate theory and concepts and relate them to practice. Discussions reflect the student's own arguments and are not simply a repetition of standard lecture and reference material. The work does not suffer from any major errors or omissions and provides evidence of reading beyond the required assignments. 86-89.99: B+ 83-85.99: B 80-82.99: B-

CThis is an acceptable level of performance and provides answers that are clear but limited, reflecting the information offered in the lectures and reference readings. 75-79.99: C+ 70-74.99: C 65-69.99: C-

DThis level of performances demonstrates that the student lacks a coherent grasp of the material. Important information is omitted and irrelevant points included. In effect, the student has barely done enough to persuade the instructor that s/he should not fail. 60-64.99: D+ 55-59.99: D 50-54.99: D-

FThis work fails to show any knowledge or understanding of the subject matter. Most of the material in the answer is irrelevant. Below 50: F

-ATTENDANCE REQUIREMENTS:

Intermediate Microeconomics is a theoretical subject that can prove challenging. There is quite big of a difference between Principles of Microeconomics and Intermediate Microeconomics. Moreover, I tend to deviate from the textbook's treatment of the subject matter and I also do problems and proofs in class that I put on the exams. Importantly, during my in-class lectures I explain fundamental tools and concepts that are crucial to understanding the paper you will be tested about. Therefore, taking notes in class is necessary. Attendance is basically indispensable. If you miss my lectures, you get lost and that would severely undermine your performance. So, you need to stay on top of your business and I warmly encourage you to attend every single lecture. If you are not committed to attending all lectures and working hard, I am afraid this is not the right course for you.

EXAMS AND POLICIES ON ABSENCES: At the beginning of the semester, I will post the official version of the syllabus (very detailed) with the exact exams dates and all of my policies. There are NO make-up for missed exams. If you miss a midterm exam due to a compelling reason (e.g., you are sick), I want you to notify me ahead of time (if possible) and I will surely ask you to provide me with a formal

justification for your absence. You have to prove your claim about the cause of your absence. If I deem the justification is formal and merits consideration, then I would let you take a make-up exam.

ACADEMIC HONESTY

As stated in the university catalog, any student who commits an act of academic dishonesty will receive a failing grade on the work in which the dishonesty occurred. In addition, acts of academic dishonesty, irrespective of the weight of the assignment, may result in the student receiving a failing grade in the course. Instances of academic dishonesty will be reported to the Dean of Academic Affairs. A student who is reported twice for academic dishonesty is subject to summary dismissal from the University. In such a case, the Academic Council will then make a recommendation to the President, who will make the final decision.

STUDENTS WITH LEARNING OR OTHER DISABILITIES

John Cabot University does not discriminate on the basis of disability or handicap. Students with approved accommodations must inform their professors at the beginning of the term. Please see the website for the complete policy.

SCHEDULE

TOPICS AND TENTATIVE SCHEDULE

The list and schedule of the topics covered is tentative and might be subject to change. Moreover, it is possible that we will not have time to study some of the topics mentioned below. Details will be provided in class.

Weeks	Topics	Reading assignment	Exams dates and topics covered (TBA)
	MATHEMATICAL PRELIMINARIES		
Weeks 1 and 2	Selected topics about constrained optimization (Lagrange multipliers, the envelope theorem and the Kuhn-Tucker theorem).	Notes taken in class (based on the Professor's in-class lectures). You need to attend!	
	THEORY OF CONSUMER CHOICE		
Weeks 2, 3, 4	Budget constraint, preferences, utility, and choice (only selected topics).	Chapters 2, 3, 4, 5. Lecture notes and PowerPoint slides	
	CHOICE UNDER UNCERTAINTY		
Weeks 5 and 6	Uncertainty and risk aversion (only selected topics).	Chapters 12. Lecture notes and PowerPoint slides	
	ASYMMETRIC INFORMATION		
Weeks 7 and 8	Moral hazard and incentive contracting (only selected topics)	Chapter 37 (38 in the 9 th edition). For the most part, notes taken in class (based on the Professor's in-class lectures). You need to attend!	
	TECHNOLOGY		
Weeks 8, 9, 10	Production technology (only selected topics)	Chapter 18 (19 in the 9 th edition). PowerPoint slides	
	PROFIT MAXIMIZATION		

Weeks 10 and 11	Profit maximization (only selected topics)	Chapter 19 (20 in the 9 th edition). PowerPoint slides	
	EXCHANGE		
Weeks 12, 13 and 14	Exchange, the Edgeworth box, competitive markets, equilibrium, Pareto optimality, and the fundamental theorems of welfare economics (only selected topics)	Chapter 31 (32 in the 9 th edition). PowerPoint slides	
	EXTERNALITIES		
	Externalities and market failure (only selected topics)	Chapter 34 (35 in the 9 th edition). PowerPoint slides	
	FACTOR MARKETS		
Week 14	Market structure and demand for production inputs (only selected topics)	Chapter 26 (27 in the 9 th edition). PowerPoint slides	