Instructor & Course Information

- Instructor: Subhra B. Saha
- Course: ECN 100A: Intermediate Microeconomics
- Location: Physical Sciences, Room # 110
- Class Time: Tuesday, Thursday 1:00 PM – 4:30 PM
- Learning Management System [LMS henceforth]: Canvas
- Office: Engineering 2, Rm # 425
- Office Hours: Tuesday 12:15 PM – 12:45 PM & 4:30 PM – 6:00 PM or by appointment; E-Mail: susaha@ucsc.edu
- TA: Jiayi Xu; TA Email: jxu55@ucsc.edu
- TA: Liam Rose; TA Email: lrose1@ucsc.edu
- MSI: Ursula Kucia Stauder; MSI Email: ukuciast@ucsc.edu
- TA/MSI Office Hour (2 hours every week for each TA):
  - Liam Rose: Wednesday 9 AM-11 AM
  - Jiayi Xu: Thursday 10:20 AM-12:20 PM
  - Ursula Kucia Stauder: Tuesday & Thursday 11:30 AM – 12:30 PM
- TA/MSI Section (1 per week):
  - Liam Rose: Tuesday 10 AM-11:05 AM;
  - Jiayi Xu: Thursday 9:00 AM-10:05 AM

Course Description & Objectives

This course will provide the basic tools of microeconomic analysis. Microeconomic theory is a remarkably useful body of ideas for understanding and analyzing the behavior of individuals and firms in a variety of contexts. The goal of the course is to get you to internalize this body of theory well enough so that you can rigorously and efficiently analyze a variety of problems in an economic framework. While this is a “tools” course, we will cover many real-world applications.

The first major task in the course is the development of the theory of supply and demand underlying the competitive model, which serves as the benchmark for evaluating other market structures. Outside of the purely competitive context, an understanding of demand is essential to firms’ optimal pricing and product positioning decisions. The concept of supply and the supply curve provides an invaluable framework for thinking about firm costs and investment decisions. After presenting the competitive model, we turn to other market structures more like those encountered by real-world firms such as monopoly and oligopoly. We then investigate the development and use of market power, as well as strategic interaction among firms. Finally, we examine market failures such as asymmetric information and externalities

Required Text Book

The required text is Microeconomics by Besanko and Braeutigam. This text is widely available. Version 5 is the current edition, but prior versions are acceptable as well. The different editions may vary in some minor respects, and if you use an older version it is your responsibility to keep up with any important deviations from the current version. Additional readings may be assigned during the quarter.

Prerequisites

Economics 1 and calculus. While this course is about economics, not mathematics, mathematics is a useful tool in communicating the intuitions of economics. The important mathematical tools that you should be familiar with are: graphing an equation on a two-dimensional graph, solving a system of two equations and two unknowns, understanding what a derivative is and being able to compute the derivative of a simple equation. This is not a comprehensive list, but these tools will prove to be the most important.

Class Meeting, TA, MSI

Lectures will meet on Tuesdays and Thursdays from 1:00pm to 4:30 p.m. in Physical Sciences #110. You have two TAs and one MSI. You cannot switch TA sections once you have chosen one. MSI complements TA sections but not substitute it. TA sessions will be an important complement to the lectures, as they will help you understand material from the lectures and problem sets. The TA will also hold two hours’ worth of office hours per week.
Evaluation Instruments & Grading Policy:

1) **Exams** – There will be one midterm worth 30% of the grade and a comprehensive final exam worth 50%. You will not be allowed to use calculators on the exam or use cell phones. All relevant formula will be available so you need not bring cheat sheets. The midterm exam is scheduled for the first half of class on **July 13 (Thu)**. The final exam will be held on the final day of class, July 27. I will not offer make-up exams for either the midterm or the final.

2) **Problem Sets** – There will be 2 problem sets throughout the quarter, and these are worth a total of 10%. The problem sets will be graded. **No late problem sets will be accepted.** I encourage group discussion in working on the problem sets, however everyone must hand in their own problem set with explanations (when applicable) in your own words. If a problem requires calculations or math, you must show your work.

3) **Quizzes** – At the mid-point of each class, we will have short quiz that will take around 10-15 minutes to complete covering a key topic from the previous lecture. This will be graded based on completion. We will review the solution immediately following the quiz. This will be worth 10%.

Summary of graded requirements:
- Midterm exam: 30%
- Final exam: 50%
- Problem sets: 10%
- Quizzes: 10%

Academic Integrity
Course information and materials, including homework assignments and solutions, will be posted on Canvas. Please check it for course updates and additional readings during the quarter.
I expect you to uphold the academic integrity expected of students of the university. Please see [https://www.ue.ucsc.edu/academic_misconduct](https://www.ue.ucsc.edu/academic_misconduct) for more information. Cheating during the exams will not be tolerated.
If you are caught cheating during one of the exams, I will fail you and report the incident to the University. It is not worth it!

**Course Outline (tentative)**

<table>
<thead>
<tr>
<th>Week # &amp; Dates</th>
<th>Topics (Readings in Canvas)</th>
<th>Submissions in class</th>
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<tbody>
<tr>
<td>Week 1: June 27 (Tue); June 29 (Thu)</td>
<td>Analyzing economic problems (Ch. 1)</td>
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<td>Demand and supply analysis (Ch. 2)</td>
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<td>Utility (Ch. 3)</td>
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<td>Week 2: July 4 (Tue) (No Class); July 6 (Thu)</td>
<td>Consumer Choice (Ch. 4)</td>
<td>Submit PS 1 in Class to TA (Ch 1 - Ch 5)</td>
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<td>Demand (Ch. 5)</td>
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<td>Week 3: July 11 (Tue); July 13 (Thu)</td>
<td>Inputs and Production Functions (Ch. 6)</td>
<td>Midterm Exam – July 13 (Thu) (First 2 hours)</td>
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<td>Costs and Cost Minimization (Ch. 7)</td>
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<td>Cost Curves (Ch. 8)</td>
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<td>Perfectly Competitive Markets (Ch. 9-10)</td>
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<td>Week 4: July 18 (Tue); July 20 (Thu)</td>
<td>Monopoly (Ch. 11)</td>
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<td>Capturing surplus (Ch. 12)</td>
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<td>Market structure and competition (Ch. 13) - Oligopoly Ch. 13.2 - Monopolistic competition Ch. 13.5</td>
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<td>Week 5: July 25 (Tue); July 27 (Thu)</td>
<td>Game theory (Ch. 14)</td>
<td>Submit PS 2 in class to TA (Ch 6 - 14)</td>
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<td>Externalities and public goods (Ch. 17)</td>
<td>Final Exam (Comprehensive) July 27 (Thu)</td>
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