



ECON 2315: Intermediate Microeconomics II

2023 Summer Session	
Total Class Sessions: 25	Instructor: Staff
Class Sessions Per Week: 5	Classroom: TBA
Total Weeks: 5	Office Hours: TBA
Class Session Length (Minutes): 145	Language: English
Credit Hours: 4	

Course Description:

This is a second course of Intermediate Microeconomics. This course examines the performance, benefits, and drawbacks of various institutions used to allocate resources, with a focus on markets. We'll integrate concepts from introductory microeconomics with new concepts from social choice, game theory, and mechanism design. We'll start by talking about how to evaluate social results from a social standpoint, taking into account the desires of various members of society. Later, we'll look at a stylized model of fully competitive markets that can provide desired results under ideal conditions. Then, we'll look at market power, public goods, externalities, and information frictions as potential sources of market failure. We'll wrap off by looking at some alternate strategies for dealing with similar problems.

Course Materials:

Microeconomics, 9th Global Edition by Robert S. Pindyck Daniel L. Rubinfeld

Course Format and Requirements:

This course has 25 class sessions in total. Each class session is 145 minutes in length. Pre-reading the relevant lesson and attempting the assigned exercise problems prior to each class is strongly recommended. Familiarizing with the course material before class, you will gain a better understanding of the information presented during the class. Students are strongly encouraged to ask questions on things they do not understand. Main learning points will be highlighted from the relevant textbook chapters.

Attendance:

Students are expected to attend and participate in class. Strong attendance and participation are good indicators of success. Each student is responsible for all course material, announcements, quizzes and exams made in class, whether or not the student attended that day's class.

Course Assignments:

Quizzes:

There will be 7 quizzes administered through the whole semester and the two lowest scores will be dropped. Quizzes will always be completed in the first ten minutes of class. There will be no



make-up quizzes.

Exams:

Midterm Exams

There will be two midterm exams in this course. The midterm exams will be based on concepts covered in class. They will be in-class, close-book and non-cumulative.

Final Exam

The final will be cumulative and close-book. Note that the final will not be taken during the normal class times. Exact time and location for final will be announced later.

Course Assessment:

Quizzes (5 out of 7)	20%
Midterm Exams 1	25%
Midterm Exams 2	25%
Final Exam	30%
Total	100%

Grading Scale (percentage):

A+	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
98-100	93-97	90-92	88-89	83-87	80-82	78-79	73-77	70-72	68-69	63-67	60-62	<60

Academic Integrity:

Students are encouraged to study together, and to discuss lecture topics with one another, but all other work should be completed independently.

Students are expected to adhere to the standards of academic honesty and integrity that are described in the Chengdu University of Technology's *Academic Conduct Code*. Any work suspected of violating the standards of the *Academic Conduct Code* will be reported to the Dean's Office. Penalties for violating the *Academic Conduct Code* may include dismissal from the program. All students have an individual responsibility to know and understand the provisions of the *Academic Conduct Code*.

Special Needs or Assistance:

Please contact the Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material. Our goal is to help you learn, not to penalize you for issues which mask your learning.

Tentative Course Schedule:

Course content mainly covers from chapter 10 to 14, and Chapter 16 to 19.



Class 1:

Course Syllabus, Course Objectives and Course Policy

Monopoly, Monopoly Power, Source of Monopoly Power and Social Cost of Monopoly Power

Reading Chapter 10.1- 10.4

Class 2:

Monopsony, Monopsony Power and The Antitrust Laws

Reading Chapter 10.5- 10.7

Class 3:

Quiz 1

Pricing with Market Power:

Capturing Consumer Surplus;

Price Discrimination(First-Degree, Second-Degree and Third-Degree)

Interpersonal Price Discrimination and Peak Load Pricing

Reading Chapter 11.1, 11.2, 11.3

Class 4:

Pricing with Market Power:

The Two Part Tariff

Bundling

Advertising

Reading Chapter 11.4, 11.5, 11.6

Class 5:

Quiz 2

Oligopoly and Monopolistic Competition:

Monopolistic Competition and Economic Efficiency

Equilibrium in an Oligopolistic Market (Nash Equilibrium)

Price Competition

Reading Chapter 12.2, 12.3

Class 6:

Competition versus Collusion

The Prisoner's Dilemma

Cartels

Reading Chapter 12.4,12.5. 12.6

Class 7:

Midterm 1



Class 8:

Gaming and Strategic Decisions:

Noncooperative versus Cooperative games

Dominant Strategies (The Nash Equilibrium Revisited, Maximum Strategies)

Reading Chapter 13.1 13.2, 13.3

Class 9:

Repeated Games

Sequential Games

Reading Chapter 13.4, 13.5

Class 10:

Quiz 3

Threats, Commitments and Credibility

Entry Deterrence

Auctions

Reading Chapter 13.6, 13.7, 13.8

Class 11:

Markets for Factor Inputs:

Competitive Factor Markets

Equilibrium in a Competitive Factor Markets

Reading Chapter 14.1, 14.2

Class 12:

Markets for Factor Inputs:

Factor Markets with Monopsony Power

Monopsony Power (Marginal and Average Expenditure)

Monopoly Power over the Wage Rate

Reading Chapter 14.3, 14.4

Class 13:

Quiz 4

General Equilibrium and Economic Efficiency:

General Equilibrium Analysis

Reading Chapter 16.1

Class 14:

General Equilibrium and Economic Efficiency:



Efficiency in Exchange

Reading Chapter 16.2

Class 15:

General Equilibrium and Economic Efficiency:

Equity and Efficiency

Efficiency in Production

Reading Chapter 16.3, 16.4

Class 16:

Quiz 5

The Gains from the Free Trade

Reading Chapter 16.5

Class 17:

An overview of the Efficiency of Competitive Markets

Market Failure

Reading Chapter 16.6, 16.7

Class 18:

Midterm 2

Class 19:

Externalities(Negative Externalities and Inefficiency, Positive Externalities and Inefficiency)

Ways of Correcting Market Failure

Reading Chapter 18.1, 18.2.

Class 20:

Externalities and Property Rights

Public Goods

Reading Chapter 18.4, 18.5, 18.6

Class 21:

Quiz 6

Market with Asymmetric Information:

Quality Uncertainty

Moral Hazard

The Principal- Agent Problem

Reading Chapter 17.1, 17.3, 17.4

Class 22:



Market with Asymmetric Information:
Managerial Incentives in an Integrated Firm
Asymmetric Information in Labor Market
Reading Chapter 17.5, 17.6

Class 23:

Quiz 7

Behavioral Economics:
Reference Points and Consumer Preferences
Fairness
Rules of Thumb and Biases in Decision Making
Reading Chapter 19.1, 19.2, 19.3

Class 24:

Behavioral Economics:
Bubbles
Behavioral Economics and Public Policy
Reading Chapter 19.4, 19.5

Class 25

Wrap-up and Review for Final

Final Exam (Cumulative): TBA