

Rutgers University - Department of Economics  
**Intermediate Microeconomic Analysis 220:320:04**  
Spring 2023

**Professor:** Jennifer Hunt  
[jennifer.hunt@rutgers.edu](mailto:jennifer.hunt@rutgers.edu)  
New Jersey Hall 411  
(848) 932-8654

**Class time:** MTh 10.20-11.40pm  
**Office hours:** F 3.15-5.15  
**Location:** Murray Hall 213

<https://rutgers.zoom.us/j/91261802731?pwd=YmVZVkZmLzdjYlg5VEVIUVIwUnJEUT09>

**TAs:** Xiaohui Sun [xs181@economics.rutgers.edu](mailto:xs181@economics.rutgers.edu) **Office hours:** Tu 2-3  
<https://rutgers.zoom.us/j/91793700582?pwd=djlGSngrQ1FsemxXek90eDNwcS9lZz09>  
Meeting ID: 917 9370 0582 Password: Econ

Tatiana Daddario [td393@economics.rutgers.edu](mailto:td393@economics.rutgers.edu) **Office hours:** W 11-12  
<https://rutgers.zoom.us/j/94248341524?pwd=WER0VjF6SIYvSXZVV2tkZUtwb1JDdz09>  
Meeting ID: 942 4834 152 Password: 836427

TA office hours start in second week of class with Xiaohui; then TAs alternate weeks.

### **Pre-requisites**

- Introduction to Microeconomics (Econ 102)
- Calculus I (Math 135 or Math 151)
- Willingness and time to study. It is not possible to pass this course with no effort.

### **Goals**

The first purpose of the course is to understand how the incentives, constraints, costs and decisions of consumers, workers and firms together determine supply and demand in competitive product and labor markets. The second purpose is to understand the implications of imperfect competition, other market imperfections, uncertainty, and asymmetric information for these markets. In pursuing these goals, the role of government in reducing or exacerbating market imperfections will regularly be examined. These topics will be considered more rigorously than in introductory microeconomics, with the rigor coming in part through the use of calculus. Rutgers University Economics Department's official learning outcomes for the course:

- Basic economic concepts including opportunity costs, scarcity, positive and normative economics
- How to analyze production choice of firms and countries, the sources of their comparative advantages, and gains from trade
- How to use the supply and demand model to understand how markets work.
- How elasticity is calculated and its relevance to understanding markets.
- How to analyze individual decision about consumption, savings and employment.
- How to analyze decisions firms make about pricing, output, employment and investment.
- How to analyze the behavior of firms under perfect competition, monopoly, monopolistic competition and oligopoly.
- How to use the concepts of equity, efficiency, externality, and market failure to analyze and evaluate government policies such as price floors and ceilings, tax policy, anti-trust policy, and environmental policy.

## Grading

• 10 problem sets	Due 11pm on due dates	20%
• 2 in-class exams	2 <sup>nd</sup> exam not cumulative	40%
• Policy one-pager		20%
• Final exam	80 min; Not cumulative	<u>20%</u>
• Total		100%

## Remarks:

- Each problem set will be a mix of online, auto-graded Pearson questions and questions set by me. The answers and working for the latter should be written by hand and scanned unless you ask for and receive an exemption, will be hand graded by the TAs, and will count more than other questions.
- No late problem sets will be accepted, except with a positive PCR test for Covid.
- Policy one-pager
  - Persuade reader of wisdom of introducing or abolishing an economic policy
  - I will suggest some topics, but students need not select from my suggestions
  - Students must have their topic approved or lose 10% of its grade
  - 1 page; min 300, max 400 words
  - For every 20 words outside the word range, 6.66% of its grade will be lost
  - Sources must be provided in endnotes including a URL for online materials
  - Endnotes are not included in the word count and should be on a second page
  - The one-pager should be structured like an example I will distribute
  - The grade will be determined by content, structure and clarity
- Final grades will be determined with no deviation from the description above.
- Collaboration and integrity
  - Limited collaboration for the problem sets can be beneficial and is permitted.
  - Discussion of one-pagers with classmates working on different topics is permitted, but there may be no collaboration on the same topic.
  - I will zealously seek measures against students who cheat. Rutgers outlines the meaning of cheating here: [academicintegrity.rutgers.edu/policy-on-academic-integrity](https://academicintegrity.rutgers.edu/policy-on-academic-integrity).

## Textbook and online resources

- Part of each problem set will be online using the textbook's questions, (MyLab Econ) accessed through Canvas at a cost of \$104.99 (paid through Canvas or at the Rutgers bookstore).
- Paying the \$104.99 will get students access to the e-text of what I think is the best textbook: Perloff, Jeffrey M. *Microeconomics. Theory and Applications with Calculus* (fifth edition). For an additional \$34.99, students can have the hard copy mailed for free (I have not ordered it in the Rutgers bookstore). I will be following this textbook in my lectures.
- See document posted on Canvas in Files for instructions on how to register for MyLab. **Students experiencing financial hardship at the start of the semester can get temporary free access.**
- Given this setup, there may be no reason to use another textbook, but you could use an older version of Perloff with calculus or any other intermediate micro textbook using calculus. Other textbooks I considered were Pindyck and Rubinfeld, which is more interesting and has better jokes but has less calculus than Perloff, and Nicholson and Snyder (*Microeconomic Theory*), which is less interesting but has more calculus than Perloff.
- I expect students to read the section of a textbook corresponding to the lecture either before or after class.
- Consider using the online study-plan feature and the online "Get started homework".

## Accommodations

Students are responsible for seeking disability accommodations following the procedures and guidelines set by Rutgers Office of Disability Services (ODS) <https://ods.rutgers.edu/>. You must email me your Letter of Accommodation issued by ODS.

## Absences and missed exams

Students are expected to attend all classes. If you expect to miss more than one class, please use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate the date and reason for your absence. An email is automatically sent to me. If you will miss an exam due to illness, family emergency, religious observance or other valid reason, let me know as soon as possible so a makeup exam can be arranged. There are no makeup exams for students who are simply unprepared for the exam or forget the time.

## Health

- Please don't come to class if you are feeling ill.
- Please wear an N-95 or KN-95 mask in class. See the "externalities" section of the course. I will give you one if you can't afford one.

## Course Outline

		<i>Date</i>	<i>Topic</i>	<i>Perloff Fifth Edition</i>		<i>Due dates</i>
				<i>Chapters Covered</i>	<i>Sections Omitted</i>	
	R=Thursday					
R	20	Jan	Consumer behavior	3-5	3.5	
M	23	Jan	Consumer behavior	3-5		
R	26	Jan	Consumer behavior	3-5		
M	30	Jan	Consumer behavior	3-5		PS1 due
R	2	Feb	Consumer behavior	3-5	5.4	
M	6	Feb	Producer behavior	6-7		PS2 due
R	9	Feb	Producer behavior	6-7		
M	13	Feb	Producer behavior	6-7		PS3 due
R	16	Feb	Producer behavior	6-7	7.5	
M	20	Feb	Competitive markets	8, 2, 9-10		PS4 due
R	23	Feb	<i>Exam</i>			
M	27	Feb	Competitive markets	8, 2, 9-10		
R	2	Mar	Competitive markets	8, 2, 9-10		
M	6	Mar	Competitive markets	8, 2, 9-10		PS5 due
R	09	Mar	Competitive markets	8, 2, 9-10		
			<i>Spring break</i>			
M	20	Mar	Imperfectly competitive markets	11-14		PS6 due
R	23	Mar	Imperfectly competitive markets	11-14	12.4-12.7	
M	27	Mar	Imperfectly competitive markets	11-14	13.2-13.5	PS7 due
R	30	Mar	Imperfectly competitive markets	11-14		
M	3	Apr	Factor markets	5.4, 15		PS8 due
R	6	Apr	<i>Exam</i>			
M	10	Apr	Factor markets	5.4, 15	15.3	PS 9 due
R	13	Apr	Market failure	17-18		
M	17	Apr	Market failure	17-18		Policy topic due
R	20	Apr	Market failure	17-18		
M	24	Apr	Market failure	17-18	18.3-18.5	PS 10
R	27	Apr	Uncertainty	16	16.4, 16.5	
M	1	May	Asymmetric information	18.1, 18.2, 19.0		Policy 1-pager due