

Economics 410	Intermediate Microeconomics
Class Hours	T&TH 11:00-12:15 Wilson Hall 107
Instructor	Professor Biglaiser
Office	GA 306-A
Contact Info	Zoom - <a href="https://unc.zoom.us/j/2298593472">https://unc.zoom.us/j/2298593472</a> Email <a href="mailto:gbiglais@email.unc.edu">gbiglais@email.unc.edu</a>
Office Hours	TTH 3:30-4:30 (contact beforehand) and by appointment, all on Zoom
TA	Hashem Amireh and Jincheol Joo
ULA	Agrima Awasth

**Theme of the Course:** This course is designed to teach the basic tools of microeconomic analysis. These tools will be useful in courses of applied microeconomics such as industrial organization, labor economics, trade, and public finance.

**Course Prerequisites:** Students must have previously completed ECON 101 and one of [MATH 152](#), [231](#), [STOR 112](#), or [113](#).

### **GRADING CRITERIAN:**

There will be two midterms and a final exam. Each midterm will account for 25% of your grade; the final will account for 40%. The remaining 10% will be for homework. The grade on a given will homework will consist of one problem graded at random. Your overall homework grade will be the average of the 6 highest homework grades. The homework assignments are due at the beginning of class. Late homework will not be accepted. Homework must be uploaded to the Gradescope course site. Do not email homework. Your lowest homework will be dropped.

**I do not grade on a 10-point scale.** Rather I look for breaks in the distribution of grades that clearly distinguish between students that receive one grade versus another. I will give you a rough guide to grades after each exam

You are responsible for both the material presented in class and the assigned material. The course has a Sakai website. The midterms are on 26 September and 2 November. The final is 9 Dec. at 8 am. No makeup exams will be given unless you have a university approved absences and notified me before the exam about it. If you miss an exam and do not have an approved absence, then the weight for that midterm will be put on the final. Material for the course can be found on the course Canvas website.

### **RECITATION SESSIONS**

Recitation sections are an important part of this course. You are required to register for one recitation session for this course. By registering for a recitation session, you will be assigned to a graduate TA. This graduate TA will be your first email contact for homework and content related questions. This graduate TA will also manage your grades in Canvas and hold (possibly virtual) office hours each week. The TAs will post their office hours and where they will be held.

ULAs will meet students at the Econ Aid Center in the basement of Gardner Hall. They will post their hours.

The honor code is always in force.

Reading Material. Besanko and Braeutigam Microeconomics 6<sup>th</sup> edition and other material that

will be posted on Canvas.

## **Outline of Course**

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### I. Introduction

1. Economic Models (1)
2. Basic Economic Concepts (2.1-2.4)

### II. Consumer Theory

1. Preferences and Utility Functions (3.1- 3.3)
2. Budget Constraints and Optimal choice (4.1-4.4 and 2.5-2.6)
3. Demand Functions and Income and Substitution Effects (5.1-5.5)
4. Risk (15.1-15.4)

### III. Producer Theory

1. Production Functions and Technological Progress (6.1-6.6)
2. Cost Functions (7.1-7.4 and 8.1-8.2)

### IV. Profit Maximization and the Competitive Model

1. Profit Maximization (9.1-9.5)
2. Competitive Equilibrium and Applications (10.1-10.5)

### V. Market Power I

1. Basic Monopoly (11.1-11.7)
2. Ziprecruiter Case
3. Capturing Surplus (12.1-12.5)

### VI. Market Power II

1. Basic Game Theory (14.1-14.2)
2. Static Oligopoly (13.1-13.4)
4. Dynamic Oligopoly and Game Theory (14.3)
5. Pharmaceutical Exercise

### VII. Topics

1. Asymmetric Information (15.3, Michael Lewis podcast)
2. Externalities (17.1-17.2)
3. Public Goods (17.3)
4. General Equilibrium (16.1-16.4)