

**Econ 500 Microeconomic Analysis and Policy**  
**4 Units | Fall 2023**

**Tue – Thu 12-1:20**

**Zoom ID: 910 3815 5261**

**Instructor: Ergin Bayrak**

**Office:** KAP 116C

**Office Hours:** Mon, Tue 2:30-3:30 also by appointment

[ebayrak@usc.edu](mailto:ebayrak@usc.edu) | <http://www.erginbayrak.com>

**Teaching Assistant**

TBD

The course will be held in-person.

Students who are on campus should be present in the classroom for the best learning experience.

Zoom recordings will be made available to students who are not able to attend in-person for medical or other emergencies.

### **Course Description**

This is a graduate level course in microeconomic theory. Topics that will be covered include the theory of the consumer (utility maximization and demand), the theory of the firm (cost minimization/profit maximization and supply), market structure (competition, monopoly, oligopoly), and game theory (strategic interaction between economics agents) and market failures (asymmetric information, externalities and public goods).

### **Learning Objectives**

Successful completion of this course will result in a) Ability to intelligently observe and explain the functioning of markets, failures therein, and the justifications and consequences of various types of economic policies, and b) Ability to apply the critical economic thinking skills to analysis of consumer and firm behavior and their (strategic) interactions.

### **Required Readings and Supplementary Materials**

Nicholson: Microeconomic Theory: Basic Principles and Extensions 11th ed.

In addition to the chapter assignments from the textbook, additional readings, and supplementary material may be provided for critical analysis and discussion. Materials will be available on the class website.

### **Description and Assessment of Assignments**

The final grade in this course will be based on 3 homework assignments, one midterm and one final and participation. The tests will include short answer questions that are designed to test your ability to concisely and effectively articulate your understanding of the course material, and analytical problems that are designed to test your mathematical and analytical understanding of the course material. A legible and organized deliverable will need to be submitted in the beginning of the class on the day it is due. Late submissions will not be accepted. A formal written excuse for an absence is required to arrange for make-up tests.

	<b>% of Grade</b>
3 Assignments	3x10%
Midterm	25%
Final	40%
Participation	5%

### **Course Schedule: A Weekly Breakdown**

Week 1.	Course overview and Introduction	CH 1
Week 2.	Preferences and Utility	CH 3
Week 3.	Utility Maximization and Choice	CH 4
Week 4.	Income and Substitution Effects, Demand relationships	CH5-6
Week 5.	Production Functions	CH 9
Week 6.	Cost Functions	CH10
Week 7-8.	Profit Maximization and Competitive Supply	CH11
Week 9.	Review and Midterm	
Week 10-11.	Market Power: Monopoly and pricing with market power	CH14
Week 12-13.	Imperfect competition	CH15
Week 14-15.	Asymmetric Information, Externalities and Public Goods	CH18-19

Final Examination:

Tuesday December 12th 11am same classroom.

## Statement on Academic Conduct and Support Systems

### Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” [policy.usc.edu/scampus-part-b](http://policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on [Research and Scholarship Misconduct](#).

### Students and Disability Accommodations:

USC welcomes students with disabilities into all of the University’s educational programs. The Office of Student Accessibility Services (OSAS) is responsible for the determination of appropriate accommodations for students who encounter disability-related barriers. Once a student has completed the OSAS process (registration, initial appointment, and submitted documentation) and accommodations are determined to be reasonable and appropriate, a Letter of Accommodation (LOA) will be available to generate for each course. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at [osas.usc.edu](http://osas.usc.edu). You may contact OSAS at (213) 740-0776 or via email at [osasfrontdesk@usc.edu](mailto:osasfrontdesk@usc.edu).

### Support Systems:

*Counseling and Mental Health - (213) 740-9355 – 24/7 on call*  
[studenthealth.usc.edu/counseling](http://studenthealth.usc.edu/counseling)

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

*National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call*  
[suicidepreventionlifeline.org](http://suicidepreventionlifeline.org)

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

*Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call*  
[studenthealth.usc.edu/sexual-assault](http://studenthealth.usc.edu/sexual-assault)

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

*Office for Equity, Equal Opportunity, and Title IX (EEO-TIX) - (213) 740-5086*  
[eeotix.usc.edu](http://eeotix.usc.edu)

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

*Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298*  
[usc-advocate.symplicity.com/care\\_report](http://usc-advocate.symplicity.com/care_report)

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity, Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

*The Office of Student Accessibility Services (OSAS) - (213) 740-0776*  
[osas.usc.edu](http://osas.usc.edu)

OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

*USC Campus Support and Intervention - (213) 821-4710*

[campussupport.usc.edu](http://campussupport.usc.edu)

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

*Diversity, Equity and Inclusion - (213) 740-2101*

[diversity.usc.edu](http://diversity.usc.edu)

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

*USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu), [emergency.usc.edu](http://emergency.usc.edu)

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

*USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu)

Non-emergency assistance or information.

*Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)*

[ombuds.usc.edu](http://ombuds.usc.edu)

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

*Occupational Therapy Faculty Practice - (323) 442-3340 or [otfp@med.usc.edu](mailto:otfp@med.usc.edu)*

[chan.usc.edu/otfp](http://chan.usc.edu/otfp)

Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.