

Econ 303

Intermediate Microeconomic Theory

Section 26328R

Units: 4 Units

Fall 2024 — Mon, Wed—12:00-1:20 pm

Location: GFS118

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Course Description

This course will delve into the application of key intermediate-level microeconomic theories to analyze various economic problems and policies. We will explore how these theories, such as consumer and firm behavior, market structures (competition, monopoly, oligopoly), and game theory, can be used to understand real-world scenarios. Emphasis will be placed on the practical implications for policy-making and decision-making. Additionally, we will examine market failures, such as asymmetric information, externalities, and public goods, and discuss how these concepts can inform policy interventions. Through this course, students will develop the analytical skills needed to assess and predict the behavior of firms and markets, enabling students to critically analyze and propose solutions to economic challenges.

Learning Objectives

Students who successfully complete this course will be able to a) demonstrate comprehensive understanding of the key microeconomic theory and explain the theoretical economic models, functioning of markets, justifications and consequences of economic problems and policies, and b) ability to apply the critical economic thinking skills to analyses of economic questions and policies.

Prerequisite(s)

Econ 203, 205 Math 118

Required Readings and Supplementary Materials

Goolsbee, Levitt and Syverson: Microeconomics (Second/third Edition)

You can buy the used version within 50 dollars. Different edition of the textbook works as well but you should know that the problem sets might be different across versions. In addition to the chapter assignments from the textbook, additional readings, and audio/visual supplementary material may be provided for discussion. Materials will be available on the blackboard website.

Course Schedule

| | Topics/Daily Activities | Readings and Homework | Deliverable/ Due Dates |
|---------|---|-----------------------|-----------------------------------|
| Week 1 | Course overview and Introduction | CHP1 | 8/26/2024, 8/28/2024 |
| Week 2 | Supply, demand and equilibrium | CHP2 | 9/2/2024 (No class), 9/4/2024 |
| Week 3 | Market analysis based on supply and demand | CHP3 | 9/9/2024, 9/11/2024 |
| Week 4 | Consumer behavior: preferences and budget constraint | CHP4 | 9/16/2024, 9/18/2024* |
| Week 5 | Individual and market demand: influences of income and price | CHP5 | 9/23/2024, 9/25/2024 |
| Week 6 | Firms and production: productivity and costs | CHP6-7 | 9/30/2024, 10/2/2024 |
| Week 7 | Competitive market supply: profit maximization-Part I | CHP8 | 10/7/2024, 10/9/2024 |
| Week 8 | Competitive market supply: profit maximization-Part II | CHP8 | 10/14/2024 * 10/16/2024 |
| Week 9 | Review and Midterm | Go through CHP1-8 | 10/21/2024, 10/23/2024 |
| Week 10 | Market power and monopoly | CHP9 | 10/28/2024, 10/30/2024 |
| Week 11 | Pricing strategy: from competitive market to monopoly | CHP10 | 11/4/2024, 11/6/2024* |
| Week 12 | Imperfect competition: Monopolistic competition and oligopoly | CHP11 | 11/11/2024 (No class), 11/13/2024 |
| Week 13 | Market failures: Asymmetric information, moral hazard and adverse selection | CHP16 | 11/18/2024, 11/20/2024 |
| Week 14 | Market failures: Externalities and public goods | CHP17 | 11/25/2024* 11/27/2024 |
| Week 15 | Course review | | 12/2/2024, 12/4/2024 |
| FINAL | | | 12/13/2024, 11 a.m.-1 pm |

Dates marked with * symbols represent the dates you should submit your homework assignments before 5 pm.

Assessment

The final grade in this course will be based on 4 homework assignments (will be assigned for every 3-4 weeks approximately), one midterm and one final exam. These 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 of the assignment will need to be submitted one week after they are assigned. Late submissions will not be accepted. A formal written excuse for an absence is required to arrange for make-up tests.

Grading

1. Grading Breakdown

Participation should be no more than 15%, unless justified for a higher amount. All must total 100%.

| Assignments & exams | % of Grade |
|---------------------|------------|
| 2 in-class quizzes | 2*5% |
| 4 assignments | 4*10% |
| Midterm exam | 20% |
| Final exam | 30% |
| Total | 100% |

2. Grading Scale

Course final grades will be determined using the following scale

| | |
|----|--------------|
| A | 95-100 |
| A- | 90-94 |
| B+ | 87-89 |
| B | 83-86 |
| B- | 80-82 |
| C+ | 77-79 |
| C | 73-76 |
| C- | 70-72 |
| D+ | 67-69 |
| D | 63-66 |
| D- | 60-62 |
| F | 59 and below |

Cumulative percentage scores will not be rounded. If your cumulative percentage score is 89.9999, that's an B+ and not an A-. At the end of the semester, when final cumulative scores and course grades are posted, please do not email me with a request to round up your cumulative percentage score.

3. Missed exams and incomplete grades

No makeup midterms or finals will be given for any reason (excused or unexcused). If a student misses a midterm exam and submits a valid excuse, then the midterm's grade will constitute 0% of her/his grade and its weight will be assigned to the final exam. If a student misses the final exam with a valid excuse, the student will have to take an incomplete for the

course provided.

The following explanation further clarify our grading policies:

(1) What is the USC registrar’s definition of an emergency?

USC registrar’s definition of an emergency is: “A situation or event which could not be foreseen and which is beyond the student’s control, and which prevents the student from taking the final examination or completing other work due during the final examination period.”¹

(2) What happens if I miss the final exam for a reason that meets the USC registrar’s definition of emergency?

According to USC guidelines, “no student is permitted to omit the [final examination].”² Per the guidelines, in case of “a documented illness or other [event that meets the registrar’s definition of emergency] occurring after the withdrawal deadline for the course,” an incomplete grade will be assigned.³ Thus, if you miss the final exam for a reason that meets the USC registrar’s definition of emergency, you will be assigned an incomplete grade for the course.

Attendance

Attendance and participation are mandatory for this course but are not graded. However, there are two in-class quizzes that are exclusive to in-person attendees. When Missed quizzes cannot be made up afterward. If you miss a quiz for a valid reason, its weight will be shifted to the final exam. However, if there is no valid reason for missing the quizzes, a score of 0 will be assigned for the corresponding quizzes.

Additional Policies

The course will be conducted in person, and there will be no Zoom recordings available.

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

¹ See [USC Grading and Correction of Grades Handbook](#), p. 13.

² See [USC Grading and Correction of Grades Handbook](#), p. 7.

³ See [USC Grading and Correction of Grades Handbook](#), p. 13.

yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Support Systems:

Student Counseling Services (SCS) – (213) 740-7711 – 24/7 on call

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

engemannshc.usc.edu/counseling

National Suicide Prevention Lifeline – 1 (800) 273-8255

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. www.suicidepreventionlifeline.org

Relationship and Sexual Violence Prevention Services (RSVP) – (213) 740-4900 – 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. engemannshc.usc.edu/rsvp

Sexual Assault Resource Center

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: sarc.usc.edu

Office of Equity and Diversity (OED)/Title IX Compliance – (213) 740-5086

Works with faculty, staff, visitors, applicants, and students around issues of protected class.

equity.usc.edu

Bias Assessment Response and Support

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. studentaffairs.usc.edu/bias-assessment-response-support

[support](http://studentaffairs.usc.edu/bias-assessment-response-support)

The Office of Disability Services and Programs

Provides certification for students with disabilities and helps arrange relevant accommodations. dsp.usc.edu

Student Support and Advocacy – (213) 821-4710

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. studentaffairs.usc.edu/ssa

Diversity at USC

Information on events, programs and training, the Diversity Task Force (including representatives for each school), chronology, participation, and various resources for students. diversity.usc.edu

USC Emergency Information

Provides safety and other updates, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible. emergency.usc.edu

USC Department of Public Safety – UPC: (213) 740-4321 – HSC: (323) 442-1000 – 24-hour emergency or to report a crime.

Provides overall safety to USC community. dps.usc.edu