

## Microeconomics

Fall 2011~Spring 2012

Instructor: Shu G. Wang, Associate Professor, Department of Economics  
TA: to be announced  
Office: Room 271038, 10<sup>th</sup> Floor, South Wing, the General Building  
Contact: Phone: 02-29387368, Campus extension 51038  
Mobile Phone: 0910-384-934  
e-mail: [nccut104@nccu.edu.tw](mailto:nccut104@nccu.edu.tw) or [phinnie@pchome.com.tw](mailto:phinnie@pchome.com.tw)  
TA's contact info and office hours will be announced later.  
Office Hours: 16:10~18:00, every Tuesday, appointment advised.  
Meeting Hours: for course instruction 09:10~12:00, every Tuesday  
for recitation every Friday, exact time to be arranged  
Classroom: No. 270101, the General Building

### I. Course Description:

This is a one-year course, with 3-credit per semester, required for students majoring in economics. It introduces to students modern microeconomics in the attempt to build in them basic analytical skills that, jointly with skills learned from macroeconomics, will enable them to understand and to cope with real-world economic issues.

*The course will be conducted in the forms of lectures, class discussion and recitation sessions.* The instructor will be responsible for the three-hour lecture every Tuesday and the TA will be responsible for the at least one hour recitation session every Friday. Students are expected to attend both the formal lectures and the recitation session.

Both the instructor and the TA will have office hours reserved for the students. It is advised that students make appointments before dropping by since occasionally we may be occupied by other department/college/university duties beyond our control that under such situation we may temporally be away from the office. If the scheduled office hours are not convenient to you or for whatever

reason you need to meet the instructor or the TA at moments other than the scheduled office hours, you certainly need to make appointments to arrange the meeting time and place.

## **II. Textbooks and References:**

### **Textbooks**

Alchian, Armen A. and William R. Allen

1977        *Exchange & Production: Competition, Coordination, & Control*, 3<sup>rd</sup> edition, Wadsworth.

Friedman, Milton

1976        *Price Theory*, U. of Chicago Press.

Landsburg, Steven E.

2011        *Price Theory*, 8<sup>th</sup> edition, South-Western.

Nicholson, Walter and Christopher Snyder

2010        *Theory and Application of Intermediate Microeconomics*, 11<sup>th</sup> edition, South-Western.

Perloff, Jeffrey M.

2011        *Microeconomics with Calculus*, 2<sup>nd</sup> edition, Pearson.

Varian, Hal R.

2010        *Intermediate Microeconomics: a Modern Approach*, 8<sup>th</sup> edition, Norton.

### **Popular Readings**

Landsburg, Steven E.

1993        *The Armchair Economist: Economics and Everyday Life*, the Free Press.

1997        *Fair Play: What Your Child Can Teach You About Economics, Values, and the Meaning of Life*, the Free Press.

Levitt, Steven D. and Stephen J. Dubner

2005        *Freakonomics: a Rogue Economist Explores the Hidden Side of Everything*, Morrow.

2009        *Superfreakonomics: Global Cooling, Patriotic Prostitutes, and Why Suicide Bombers Should Buy Life Insurance*, Morrow.

## **III. Conduction of the Course and Tentative Progress Schedule**

**Landsburg (2011) is our required reading.** This is a very accessible textbook in microeconomics. If you are very comfortable with this book, then you should also try Nicholson and Snyder (2010) or Perloff (2011). Varian (2010) is a rather advanced undergraduate textbook in microeconomics. For those of you who want some real challenges, try Varian (2010).

In a reply to a question about how he got his expertise, the great Norwegian mathematician Niels Henrik Abel (1802-1829) once said “*By studying the masters and not their pupils.*” If this is what you have in mind, then you should not miss Alchian and Allen (1977) and Friedman (1976).

Good popular readings are great complements to one’s study in any subject and this is certainly true in economics. There are many good popular readings in the market now and you should have no difficulties finding some—to name a few, Landsburg (1993, 1997) and Levitt and Dubner (2005, 2009). Landsburg (1993) is probably the book most responsible for the recent frenzy in popular economics readings over the last 10 plus more years as seen in Taiwan and is highly recommended.

All students are assumed to have access to the inter-net where valuable resources can be found and followed very easily. Nowadays the trend of globalization has blown to the profession of education and you too can enjoy it—and all this is free. Download the *iTunes* application software from the Apple computer and install it. If you are using a Macintosh, it is already installed in it. Launch this software and get into the *iTunes Store* to look for *iTunes U*. Surf through iTunes U and you should be able to find courses of your choice—including undergraduate microeconomics. The iTunes Store for the US and the UK contain a lot more educational resources than that for other countries. Take time to surf through it and have fun learning from it.

The tentative process schedule is listed below and we will try to follow this schedule as closely as possible.

### Tentative Progress Schedule Based on Landsburg (2011)

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Fall 2011, first half

A. A Sketchy View of the Market, covering Ch. 1 and Ch. 2

- B. Consumer Theory, covering Ch. 3 and Ch. 4
- C. Mid-term exam, covering Chapters 1, 2, 3 and 4

Fall 2011, second half

- D. Producer Theory , covering Ch. 5, Ch. 6 and Ch. 7
- E. Institutional Issues (I): Welfare, Knowledge and Information,  
Covering Ch. 8 and Ch. 9
- F. Final exam, covering Chapters 5, 6, 7, 8 and 9

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Spring 2012, first half

- G. Market Structure, covering Ch. 10 and Ch. 11
- H. Human Interaction, covering Ch. 12
- I. Institutional Issues (II): Externalities, covering Ch. 13 and Ch.

14

- J. Mid-term exam, covering Chapters 10, 11, 12, 13 and 14

Spring 2012, second half

- K. Factor Market, covering Ch. 15 and Ch. 16
- L. Miscellaneous Topics, covering Ch. 17, Ch. 18 and Ch. 19
- M. Final exam, covering Chapters 15, 16, 17, 18 and 19

#### **IV. Course Requirements and Evaluation**

Class attendance in formal lectures and recitation session is expected. In the formal lectures course materials will be discussed in details and students are encouraged to participate in class discussion or to raise questions. The design of a recitation session is to have a TA close to you so that he/she can answer to your specific questions that you do not get the chance to ask in the class. *The TA will also be responsible for giving pop quizzes or helping you with homework. Be prepared for 3 to 5 pieces of homework and equal number of pop quizzes in each half of the two semesters.* There will also be a mid-term exam and a final exam in each semester. For those of you who need more assistance from us that cannot be satisfied in formal lectures or recitation session, you are welcome to see us during our office hours. If possible, make appointments before dropping by.

Since this course is designed to be an all-English course, all the lecturing and the recitation work will be conducted in English. Students taking this course are expected to use English in the classroom, in writing homework, in answering pop quizzes and exam questions. Students whose first language is not English

don't be scared away. Practice makes perfect. For those who are not comfortable with such an all-English environment, please consider taking the same course from other instructors.

Basically we will adopt the following grading policy.

|                                                                |      |
|----------------------------------------------------------------|------|
| Homework                                                       | 20%  |
| Pop Quizzes                                                    | 20%  |
| Mid-tem Exam                                                   | 25%  |
| Final Exam                                                     | 25%  |
| Attendance (both in formal lectures<br>And recitation session) | 10%  |
| Class Discussion Participation                                 | 10%  |
| ~~~~~                                                          |      |
| Total                                                          | 100% |

Note: For those extraordinary students whose scores run up to 100 or more, I apologize that 100 is the highest possible grade that I can give to you. But I don't think this to happen easily.

## V. Proviso

Please understand that all the arrangements here are always tentative. As the class moves along, there is often the need to modify it in order to fit the needs of students taking this course. As a result, the instructor reserves the right to made revision or modification to this syllabus. When such event takes place, the instructor will inform the students via the campus e-mail system. So, please register the e-mail address of your choice with NCCU if you don't like to use the campus-assigned e-mail address.