

Agribusiness Teaching Center
AGBU 305 – Intermediate Microeconomics
Easter Term 2015

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Place: ATC, Room B

Time: Monday 10:00-11:50am

Saturday 10:00-11:50am

Office Hours: *After class*

Course Description

This module covers an intermediate-level course in Microeconomic theory. It concentrates on formalizing and applying the concepts introduced in the principles (Agricultural Economics) course. The module begins with studying theories of the consumer and the producer. Next, we will combine both theories to individual markets, including perfect competition, monopoly, and oligopoly. The module will end with an analysis of the efficiency of competitive markets and the cases when the competitive markets may fail (e.g. asymmetric information, externalities, etc.).

Course Objective

The objective of this course is to convey intermediate concepts of microeconomic theory to students developing their analytical thinking skills. The emphasis of this course is on reasoning and understanding, not memorising. It is best seen as a course that provides the foundations of economic analysis and thereby opens the door to other economics courses, both applied and theoretical.

Texts

Nicholson, W. & Snyder, C. (2010) *Theory and Applications of Intermediate Microeconomics*.
(**Main Textbook.** Previous editions can also be used.)

Perloff, J.M. (2007). *Microeconomics* (Almost an alternative to the main text)

Frank, R.H. (2007). *Microeconomics and Behavior*. (Provides good intuition for most of the topics)

Schotter, A. (2003). *Microeconomics: A Modern Approach*. (Game theoretic approach; for advanced students)

Binger, B. R., & Hoffman, E. (1998). *Microeconomics with Calculus*. (For advanced students)

Academic Integrity

All students that violate the academic honesty code will receive a failing grade. Academic honesty includes receiving and/or providing unauthorized help from/to other students on exams or quizzes.

Course outline

The following outline roughly follows the week order of the module. Changes will be announced.

1. Introduction
2. Preferences and utility
3. Demand curves and exchange equilibrium
4. Production, Costs and Profit maximisation
5. Supply
6. Perfect competition
7. General Equilibrium and Efficiency
8. Uncertainty and Game Theory
9. Monopoly
10. Oligopoly
11. Input Markets and Value of time
12. Externalities and Public Good
13. Asymmetric information

Grading

Your final grade will be based on class participation, small project and quiz results, as well as mid-term and final tests. Class attendance and active participation is extremely encouraged, late coming and idle sitting will be penalised. Small projects can be submitted written or presented in class. There will be *unannounced* quizzes throughout the term and each of them will require your information from material covered up to that day. Missed quizzes cannot be retaken (in case the medical excuse is approved by ATC director, the missed quiz grade will be recalculated). If you spend time on solving end-of chapter problems you may excel in quizzes and exams.

Grades:

Quizzes	25%
Small Projects	10%
Participation/Attendance	5%
Midterm	30%
Final Exam	30%

The final grade will be given according to the following table and ATC Teaching Policy.

Determining Course Grades

Grading	Percentage Score	ECTS Grade	ASAU Mark
Passing Grades	90-100	A	5
	80-89	B	4
	70-79	C	4
	60-69	D	3
	50-59	E	3
Failing Grades	40-49	FX	2
	0-39	F	2