

Instructor:	Aidin Hajikhameneh
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Office Hours:	Wednesdays, 10:00am-11:00am; and by appointment
Class Days/Time:	Mondays, 6:30-9:15pm.
Classroom:	DMH166
Prerequisites:	Economics 101, 104

1 Course Description

1.1 Catalog Description

Advanced analysis of costs, pricing, revenue, market structures, economic efficiency, rates of wages, rent, interest, profits and allocation of resources; analytical models and economic equilibrium. Prerequisite: ECON 101 and ECON 104.

1.2 Additional Description

This course covers some extended topics in economic decision making. Specifically, we will put emphasis on the following aspects of consumers/individuals and firms' behavior:

1. Consumer Theory: here, we mainly discuss consumers' preferences and that how consumers maximize their utility/pleasure subject to their budget/money constraint.
2. Producer Theory: we analyze the production process, in which firms employ inputs and produce outputs, and will discuss how firms aim at either maximizing their profit or minimizing their cost.

3. Game Theory: we will have a closer look at how two or more rational agents (that is, individuals, firms, and etc.) engage in transactions and/or make decisions that will affect each other's utility, profit, or welfare.

Note: A solid grasp of logic, graphical methods, maximization / minimization techniques, and partial derivatives is essential. Class lectures, homework, and exams will make regular use of algebra and calculus since most economic concepts lend themselves to mathematical expression. If the student becomes lost or is unfamiliar with some of the economic concepts or mathematical techniques early in the class, the student should let the instructor know as soon as possible.

2 Course Learning Outcomes and Program Learning Objectives

To develop and apply knowledge and understanding of the workings of governments and markets. This course fits into the following Department of Economics program learning objectives (PLO).

- PLO 1: Microeconomics
- PLO 4: Specialist Area (Policy Economics, Quantitative Methods)
- PLO 5: Communication

Upon successful completion of this course, students should be able to demonstrate the following:

- CLO 1 Explain how formal models of rational behavior help us better understand the formation of and citizen responses to public policies.
- CLO 2 Recognize how the nature of certain goods and services often leads to government intervention in markets.
- CLO 3 Identify how political institutions and social choice rules shape the types of policy we see.
- CLO 4 Examine several analytical methods of analyzing government, including social choice models, public choice models, and welfare economics.

3 Required Texts/Readings

3.1 Primary Textbook (Required)

- "Microeconomic Theory: Basic Principles and Extensions", (12th Edition) by Nicholson and Snyder. ISBN 9781305505797

If you choose to use an older version of the text, it is your responsibility to account for any differences in assigned readings and homework problems.

3.2 Other Readings (Not Required)

- "Intermediate Microeconomics: A Modern Approach" by Hal Varian is the textbook if you want a refresher on microeconomics.
- "Microeconomic Analysis" by Hal Varian If you are more comfortable with highly mathematical approach to microeconomics.
- "Microeconomic Theory" by Mas-Colel, Whinston and Green for an advance treatment of topic covered in this course. Note that This book is the standard textbook used in most PhD programs.

4 Assignments and Grading Policy

Grades for this course are composed of three homeworks, two midterms, and a final exam. The grading rubric and a description of each component is provided below:

Grade Breakdown:

- Homeworks 30% (10% each)
- Midterm Exams 40% (20% each)
- Final Exam 30%

4.1 Homework

There will be 3 homework assignments. Each is worth 10% of the final grade. Take the homework assignments seriously. Students often learn more from carefully thinking through the homework questions

than taking exams. Working in groups on homework assignments is allowed (and advised). Each student must hand in a separate write-up. You may earn extra 2 points per assignment if it is typed using a tool such as \LaTeX . All homework is due at the beginning of class and no late homework will be accepted.

4.2 Midterm and Final Exam

Each midterm is worth 20% of your grade. The final exam is worth 30% of your grade. All exams are cumulative. Exams will be composed of short answer, essay, and problem-solving questions. The best way to prepare is to review all homework assignments, study all of the readings, and practice with some of the questions out of the primary textbook.

4.3 Grading Criterion

Category	Letter Grade	Numerical Grade
<i>A</i>	<i>A</i> ⁺	97-100
	<i>A</i>	93-96
	<i>A</i> ⁻	90-92
<i>B</i>	<i>B</i> ⁺	87-89
	<i>B</i>	83-86
	<i>B</i> ⁻	80-82
<i>C</i>	<i>C</i> ⁺	77-79
	<i>C</i>	73-76
	<i>C</i> ⁻	70-72
<i>D</i>	<i>D</i> ⁺	67-69
	<i>D</i>	63-66
	<i>D</i> ⁻	60-62
<i>F</i>	<i>F</i>	Below 60

Table 1: **Grades will be curved as needed.**

5 Classroom Protocol

This is a graduate-level course and covers a wide variety of complex subjects in a short period. Although this course is primarily lecture format, much can be learned through interacting with classmates and the instructor. Take advantage of time in the classroom! Ask questions.

6 University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page](#).

7 Econ 201 Course Schedule and Readings

Week	Date	Topics, Readings, Assignments, Deadlines	Due
1	Aug 26	Overview of the course, Math Review, and Preferences (N&S Ch. 1,2, and 3)	
2	Sep 9	Labor Day No Class	
3	Sep 10	Consumer Theory: Preferences and Utility (N&S Ch. 3)	
4	Sep 16	Consumer Theory: Utility Maximization & Expenditure Minimization (N&S Ch. 4)	
5	Sep 23	Consumer Theory: Income & Substitution Effects (N&S Ch. 5)	
6	Sep 30	Firm Theory: Production (N&S Ch. 9)	HW1
7	Oct 7	Midterm 1: Consumer Theory	
8	Oct 14	Firm Theory: Cost (N&S Ch. 10)	
9	Oct 21	Firm Theory: Profit maximization (N&S Ch. 11)	
10	Oct 28	Firm Theory: Cost minimization (N&S Ch. 10, 11)	
11	Nov 4	Game Theory: Introduction (N&S Ch. 8)	HW2
12	Nov 11	Veteran's Day No Class	
13	Nov 18	Midterm 2: Firm Theory and Consumer Theory	
14	Nov 25	Game Theory: Advanced Concepts (N&S Ch. 8)	
15	Dec 2	Game Theory: Signaling (N&S Ch. 8, 15)	
16	Dec 9	Game Theory: Bertrand and Cournot Models (N&S Ch. 15) & Review	HW3
Final Exam	Dec 16	19:45-22:00pm.	

Table 2: Fall 2019 Course Schedule.