McGill University
Department of Economics

Microeconomic Analysis and Applications
(ECON208 Section 1)
FALL 2025

Instructor Contact Information:
Dr. Ling Ling Zhang
Office: LEA434

Regular classes:
<u>Times:</u> Mondays and Wednesdays 10:05am-11:25am
<u>Room</u>: ENGMC 204
Instructor office hours: Mondays 1pm-2pm and Fridays 10-11am; extra office hours will be added during exam periods.

TA office hours and conferences:

Jacob Hazen	**jacob.hazen@mail.mcgill.ca**
Hugues Djima	**hugues.djima@mail.mcgill.ca**

TA's office hours, and conferences schedules will be posted on MyCourses as soon as they become available.

Instructor Email Policy: Due to the large number of students enrolled in the courses, it is challenging to respond individually to all emails. To make the most of our communication and to address your queries effectively, please read the following policies carefully:

1. In-Class and Office Hours Queries will be the primary Mode of Communication: I encourage you to ask questions during class time and during my office hours. This approach not only allows for immediate clarification but also benefits other students who may have similar queries.

2. Emails for Class-Wide Concerns will be addressed in Class: Emails that require detailed explanation will be addressed in the subsequent class sessions. This method ensures that everyone receives the same level of understanding and information.

Course Description

ECON208 introduces the foundations of microeconomic analysis and their applications to real-world issues. The course examines how individuals and firms make decisions, how markets function, and how government policies affect economic outcomes. Topics include demand and supply, elasticity, consumer and producer behavior, market structures (competition, monopoly, and imperfect competition), and an introduction to game theory. While the course emphasizes theory, examples from Canadian and global contexts are used throughout to highlight the relevance of microeconomics to everyday life and public policy debates. No prior knowledge of economics is required.

Learning Objectives:

By the end of this course, students will be able to:

1. **Apply demand and supply analysis** to explain how markets determine prices and quantities.
2. **Evaluate the responsiveness of markets** using concepts of elasticity and explain their importance for consumers, firms, and policy makers.
3. **Analyze the effects of government interventions**, including price controls, rent regulation, and minimum wages.
4. **Explain consumer and producer decision-making** using marginal analysis and cost concepts in the short run.
5. **Compare outcomes under different market structures**, such as perfect competition, monopoly, and imperfect competition.
6. **Use basic game theory** to analyze strategic interactions between firms and individuals in real-world contexts.
7. **Interpret and discuss current economic issues** (e.g., housing affordability, wage policies, competition in digital markets) using microeconomic tools.

Course Structure and Policies

- **Class Format**: Regular lectures will introduce key microeconomic concepts, supported by examples and applications. Teaching Assistants (TAs) will hold weekly conferences to review problem sets and reinforce material.
- **Homework**: Homework assignments are available on Pearson MyLab. While ungraded, they are highly recommended as preparation for quizzes and exams. Completing them will help strengthen your understanding of core concepts and problem-solving techniques.
- **Participation**: Active participation during lectures and conferences is encouraged. Asking questions, engaging in discussions, and working through examples will deepen your understanding and benefit the whole class.
- **Office Hours and Support**: You are strongly encouraged to attend office hours to clarify course material and receive guidance on problem-solving. Additional support may also be available through the TAs' conference sessions.

Textbook:

Microeconomics, *Christopher T.S. Ragan*, Seventeenth Canadian Edition Plus MyLab Economics with Pearson eText -- Access Card Package. The package can be purchased on Pearson website.

MyLab Course ID: will be announced on MyCourses as soon as it is available.

There will be homework assigned by the instructor on Pearson MyLab. TAs will hold weekly conferences and office hours to explain the homework and answer your questions.

All homework is optional and with a weight of zero to your final course grade.

Nature of this Course.
This course does not require you to have any prior knowledge of economics. The course focuses on the behavior and strategic thinking of individual economic units (e.g., individual consumers, individual companies, and individual markets). Not all the chapters in the textbook will be covered but will hopefully cover those fewer topics with more depth.

Examination:

There will be three exams: one pop-up in-class quiz (10%), one midterm exam (30%), and final exam (60%). The quiz and exams will be closed-note, closed book and in-person exams.

The dates and locations of the exams:

Midterm exam: Oct. 29th, 2025. It will be held in our regular classroom during class time.
Final Exam: TBA

There will be a supplemental examination which will be worth 100% of your final grade.

McGill University values academic integrity. Therefore, all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see www.mcgill.ca/students/srr/honest/ for more information).

Preliminary Course Outline

Section 1. Introduction to Demand and Supply

Topics Include:

- quantity demanded and price
- the demand curve
- quantity supply and price
- the supply curve
- the determination of price by demand and supply

Readings: Chapter 1, 2, and 3.

Section 2. Sensitivity of Demand and Supply

Topics Include:
- price elasticity of demand
- price elasticity of supply
- other elasticities
- why elasticity matters

Readings: Chapter 4

Section 3. Controlled Prices

Topics Include:
- price floors and price ceilings
- minimum wages
- rent controls

Readings: Chapter 5

Section 4. Consumer Behavior

Topics Include:
- marginal utility and consumer choice
- total and marginal utility
- income and substitution effects of price changes

Readings: Chapter 6

Section 5. Producers in the Short-run and Long-run

Topics Include:
- the meaning of profits and costs
- firm's behavior
- total, average, and marginal products and product curves

Readings: Chapter 7 & 8

Section 6. Market Structure

Topics Include:
- competitive markets
- monopoly
- imperfect competition and strategic behavior

Readings: Chapter 9-12

Section 7. Market Failure and Government Intervention

Topics Include:

- market failure
- government intervention

Readings: Chapter 16

Notes: 1. Please read Ragan's textbook before and after each lecture.
2. Topics might spill over from one week to the next if necessary.
3. Due to time constraints, it is possible that some topics will not be covered, or some topics added. The instructor maintains discretion regarding changes in this outline. Any changes will be discussed in class and/or announced on MyCourses.