

McGill University
Department of Economics

Microeconomic Theory (ECON230D1-002) Fall 2020

Instructor Contact Information:

Dr. Lingling Zhang

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Facebook group : McGill ECON230D1 Section 2 2020

Twitter : [@linglingzhang3](https://twitter.com/linglingzhang3) (Hashtag : #mge230d1)

Office hours: Wednesdays 1:00pm-1:30pm or by appointment

The office hours will be offered through zoom meetings on MyCourses. You may post your questions in our Facebook group where the instructor will respond. All students are encouraged to help your peers to answer the posted questions. Joining the Facebook group is optional.

Regular classes:

Times: Tuesdays and Thursdays 11:35am-12:55pm

Room: MAASS 112

All classes will be offered on-line with a mix of pre-recorded videos and zoom meetings. All the materials will be available on MyCourses.

Teaching Assistant: WENMEI TU & ALICE FAN

TA office hours: TBA

TA conferences: TBA

All TA office hours and conferences will be offered through zoom meetings on MyCourses.

Textbook and online homework package:

Jeffrey M. Perloff: *Microeconomics, Student Value Edition Plus MyLab with Pearson eText—Access Card Package, 8/E*

The course id for MYLAB is: zhang26825

Course Overview: This course is designed to provide the fundamental principles of microeconomic analysis. Topics include the behavior of consumers, the theory of production and cost curves, the theory of the firm, welfare economics, and the theory of general equilibrium. Students will learn to use techniques and methods, such as

optimization to solve standard problems in microeconomic theory.

Course Evaluation:

Assignments.....	20%
Midterm examination	20%
Written Project	30%
Final examination	30%

Examinations: There will be two exams.

Midterm exam is scheduled on **Oct. 15th, 2020** and it is open-book and take-home exam. You will have 48 hours to finish the exam.

Final exam will be timed open book exam scheduled by the university during the final exam period.

ECON230 D1+D2 is a one-year course. Each semester contributes 50% to your final grade. The two semester grades will be averaged to arrive at the full-year grades.

Please **do not** switch D2 sections during this semester, otherwise you will be dropped out of your D1 section automatically. As a result, you will not be able to take the final exam for D1!

There will be a **deferred exam** for the final exam of D1 and it will be scheduled in March 2021. There will be no supplemental exam for D1 because it is a one-year course. There will be no makeup exam for the midterm exam. In case of absence of the midterm exam, 20% will go to the final exam, in which case, the final exam will make up 50% of your final course grade for D1.

Supplemental Exam: There is a supplemental exam (will be held in August 2018). It is comprehensive: the material tested in the supplemental exams covers **BOTH** semesters (the material from 230D1 will be worth 50% and the material from 230D2 will be worth 50%). **The supplemental examination will be worth 100% of your final grade for D1+D2.**

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).

In accord with McGill University's Charter of Students' Rights, students in this course have the right to submit in English or in French any written work that is to be graded.

Assignments: There will be 10 assignments which will be worth of **20%** of your final grade. All the assignments should be submitted on time. No tardy assignments will be graded.

Written Project: *Thinking like an Economist (Microeconomic aspect)*

Each of you individually chooses **one** short article (no more than 1000 words) that interests you in a well-known journal or newspaper (in English only), e.g., the Economist, the Financial Times, or the New York Times. You will be asked to write a proposal and a critique of the article you choose.

The proposal should include a title, your name and student ID number, a photocopy of the article of your choice, and an explanation of the reason why this article interests you. The proposal should be handed in on MyCourses no later than **5:00pm September 21st, 2020**. The proposal will be worth **5%** of your final grade. No tardy proposal will be accepted.

Note that the deadline for withdrawing from the course with FULL refund is Sept. 22nd, 2020.

The final version of your critique is due at 5:00pm on **Dec. 3rd, 2020**. **No exceptions will be made concerning this due date except with the written permission of your department chair.**

The grade for the critique will make up **25%** of your final D1 course grade. Tardy critiques **will not be accepted** and will be assigned a grade of zero, except with a valid medical excuse. Your critique should not exceed 5 pages and should be double spaced; single sided with 12-point font. **The guideline and the grading criteria** will be posted on MyCourses.

Course Evaluation for students who transfers from Econ250D to Econ230D

Window 1: Up to the end of the week after the D1 mid-term. For students using this window, the course grade depends solely on their subsequent performance in 230D. The default weighting is 50% on each semester.

Window 2: The January add/drop period in the Winter semester. For students using this window, the default weights are 25% ECON 250D1 and 75% ECON 230D2.

Course Outline

Part A: The Basics

Section 1. Demand and Supply

Topics Include:

- demand
- supply
- market equilibrium
- elasticity
- price floors and price ceilings

Readings:

Perloff Chapter 2 & 3

Part B: Consumer Behavior

Section 3. Consumer Behavior

Topics Include:

- budget constraint
- preferences
- utility
- choice
- consumer's surplus
- market demand and equilibrium

Readings:

Perloff Chapter 4 & 5

Part C: Producer Theory

Section 4. Producers Behavior

Topics Include:

- technology
- profit maximization
- cost minimization and cost curves
- firm supply

Readings:

Perloff Chapter 6 & 7

Section 5. Market Structure

Topics Include:

- competitive firms and markets
- properties and applications of the competitive model

Readings:

Perloff Chapter 8 & 9

Section 6. Competitive General Equilibrium

Topics Include:

- general equilibrium
- trading between two people

Readings:

Perloff Chapter 10
