

# ECONOMICS 11: MICROECONOMIC THEORY I

**Instructor: Victoria Barone**  
**UCLA, Summer Session A, 2020**

**Lecture Days and Times:** TR 9:00 am to 10:30 am

**Classroom:** Zoom link will be emailed to enrolled students

**Office:** Zoom link will be emailed to enrolled students

**Office Hours:** TR 5 pm to 6 pm

**E-mail<sup>1</sup>:** [mvbarone@ucla.edu](mailto:mvbarone@ucla.edu)

## I. Introduction

### a. Course Description

Econ 11 is the first course of the two-part sequence in intermediate microeconomic theory; the second course is Econ 101. The objective of the course is to introduce the analysis and modeling of individual decision making, with a focus on consumers' and firms' behavior. Students will finish the course with the economic intuition and the analytical tools needed to think rigorously how economic agents make choices. Lectures focus on the presentation of the analytical tools which form the basis of microeconomic theory. Problem sets provide students with practice to master the material covered in lectures. Students will be evaluated on their understanding of these tools and their ability to apply them to new problems. Many of the concepts and tools learned in Econ 11 will be applied later in other economics and business courses.

### b. Learning objectives

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

1. Identify the incentives that economic systems (e.g. prices, taxes, subsidies) provide to agents.
2. Analyze how economic agents make rational decisions, i.e. how they weight benefits and costs to maximize their well-being.
3. Model consumer decision-making process using analytical tools presented in class 3
4. Model firm decision-making process using analytical tools presented in class
5. Approach real-world life examples with economic intuition: recognize agents involve in the problem, what incentives they phase, how their behavior can be model.

c. **Prerequisites:** Economics 1 and 2, one course from Mathematics 31B, 31BH, 31E, 32A.

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<sup>1</sup> Please contact me at this email address.

## II. Materials

**Textbook:** Walter Nicholson and Christopher M. Snyder, *Microeconomic Theory: Basic Principles and Extensions*, 12th Edition. The 11th and 10th Editions are also fine.

**Class website:** Check this site regularly. Announcements, problem sets, slides from lecture, additional readings, and other useful items will be posted there.

The textbook is an excellent guide; however, not all material in the chapters of the text we cover will be presented in lectures. Students are encouraged to attend lectures, take notes and consult the slides posted on the class website. Problem sets will be posted on weekly basis. These are designed to enable students to master the concepts and analytical methods presented in lectures. Work on the problem sets. They provide excellent practice for the exams.

## III. Course Outline

The schedule of topics covered in lectures will approximate the schedule below. The main two parts of this class are: Consumer theory (chapters 3 - 5, NS) and Producer theory (chapters 9-12, NS). Students should read these chapters before each lecture.

Lecture	Topic
1	Mathematic for microeconomics (focus on constrained maximization)
2	Preferences and Utility Maximization
3	Utility maximization problem and choice theory
4	Expenditure minimization problem
5	Income and substitution effects
<b>6</b>	<b>Midterm exam (July 9th)</b>
7	Production function and costs
8	Costs in short-run vs long-run.
9	Producer optimization, supply, profit maximization.
10	Partial Equilibrium Competitive Model
11	Introduction to general equilibrium
<b>12</b>	<b>Final exam (July 30th)</b>

## IV. Problem sets and Examinations

There will be two exams, one midterm and one cumulative final exam. The weighting scheme of the exams is as follows:

*Problem sets.* PS 1: June 26<sup>th</sup>. PS 2: July 3<sup>rd</sup>. PS 3: July 17<sup>th</sup>. PS 4: July 24<sup>th</sup>. - 10%

*Midterm Examination.* Week three: **July 9th, Thursday**- 40%

*Final Examination.* Week six: **July 30th, Thursday**- 50%

Because many students will be taking this course at a time zone other than Pacific Time, we will be providing each exam at three different sessions. At the start of the course, we will ask all students to indicate which time zone they are in, and you will be assigned a session accordingly. **No changes will be allowed 48 hours prior to the exam time.**

Practice exams are provided on the web site. They give a good indication of the style and level of questions likely to be on the exams you will be given. Exams require students to solve new problems using the analytical tools developed in class. They are intended to be challenging!

*Grading Policy:* All exam scores will be graded to comparable 100-point scales. I try very hard to grade fairly and consistently. Mistakes in grading are unusual but sometimes do occur. When they do, I want to correct them. You have 1 week after the midterm has been returned in review sessions to ask questions about your exam and score. Similarly, you have 1 week after the review session where students can see their final exam to ask questions about your final exam and score. No changes will be made after these deadlines.

*Policy on Missed Exams:* Exams must be taken at their scheduled time. Please note that department policy does not allow for any makeup exam to be administered if a student misses a midterm. If a student has a legitimate reason (by “legitimate reason” I mean something serious and unanticipated) and can provide acceptable documentation of such of an excuse, then additional weight will be placed on the final exam. Any such documentation, such as a doctor’s note, should clearly state that the student was incapacitated and was therefore unable to take the exam or faced a serious impediment that prevented attendance at the exam and should be provided in a timely manner. A student who misses an exam without a valid, verifiable excuse will receive a zero. If due to a verifiable emergency, a student misses the final exam, then that student will be required to take a makeup final exam administered by the department. If a student misses all exams, the student will receive an automatic grade of “F”. Also, please note that once a student sits for an exam, I do not allow a retroactive dismissal of the exam nor do I change the weights specified in the syllabus.

*Exam Rules:* All exams will be conducted online through CCLE. The exam will be proctored through Zoom. (more details in the last section). At the start of the exam, each student will sign in by reporting their name and UID to the TA. For the duration of the exam, they will leave their computer/phone camera on as the TA proctors. The exams will be open book, open note, and multiple choice.

*Center for Accessible Education (CAE):* Any student with a pre-existing illness or condition who requests special arrangements must (a) qualify under CAE rules for such special arrangements and (b) must take the exam with CAE. Any such arrangements with CAE must be communicated to the instructor during the first week of classes. For additional information and the qualification conditions of the Center for Accessible Education please visit their website at <https://www.cae.ucla.edu/>. All other students must take the exam at the scheduled time under

the same time constraints. It is the responsibility of all students who request special arrangements with CAE to be familiar with all their rules as well as the rules of this class.

*Academic Dishonesty:* Any cases of cheating will be reported to the Office of the Dean of Students. For more details please refer to the Office of the Dean of Students website at <https://www.deanofstudents.ucla.edu/Academic-Integrity>

*Academic Equity, Diversity and Inclusion:* It is my goal to hold an inclusive classroom and make every student feel welcome. I hope students to behave in a respectful way during all their interactions with the instructor, grader and classmates. I acknowledge these are hard times, and I want to encourage you to reach out to me if you are struggling or going through a particularly hard situation. Also, here are some resources to this end:

*Resources for Racial Trauma:* <https://equity.ucla.edu/know/resources-for-racial-trauma/>

*UCLA Counseling and Psychological Services:* <https://www.counseling.ucla.edu/>

## **V. Plan for Remote Instruction**

*Instruction.* I will pre-record all the lectures and upload them every week, so students will be expected to watch the classes by themselves. This allows me to accommodate students in different time zones who would not be able to attend lectures otherwise. The lecture time (check time change) will be used as Q&A on the material and to work on examples and applications.

*Homework submission:* Students will have to submit a problem set every week on Friday afternoon as stated in section IV of this syllabus. Links are provided in the class site.

*Examinations* will be held at the posted dates in three or two different times depending on the student's time zones.

*Details on how exams will be administered:*

Format: CCLE quizzes. We will have a mock quiz for you to get familiar with the tool.

Proctoring: students will be proctored via Zoom. Students will be asked to have their videos on during the entire exam. If you plan to use your iPad to take notes, please plan to join the zoom call from your computer.<sup>2</sup>

Material: Exams will be open notes and open book.

*Students can use the following during the exams: electronic or physical notes (examples are pdfs on your tablet, notes you take on paper, the physical or electronic copy of the book), calculator (any type, the computer one is also fine).*

*Students can NOT use: phones, apps for chatting of any sort (slack, skype, Facebook and similar chats are forbidden), headsets or headphones. You will ask to be muted but the proctor can unmute you anytime.*

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<sup>2</sup> The iPad switches off the zoom video when you turn to other apps.