

Sabanci University

Econ-204 Microeconomics, fall 2021 (hybrid delivery)

Contact Information

Instructor: Ivan G. Lopez Cruz

Office: FASS-2120

Office Hours: Friday, 8 am-10 am through Zoom (See the Zoom invitation on the syllabus' last page).

Email: ilopezcr@sabanciuniv.edu

Class Information

- Consult Student Resources to see the rooms we will use for the hybrid (in-person+online) lectures.
- All lectures will use the same Zoom meeting information (see the invitation at the end of the syllabus). *I will not allow Non-Sabanci accounts into our meetings.* The passcode of the conference will change after the second week of classes.
- I will use Zoom's video recorder feature for every lecture.
- The class website is SUCOURSE+, where you will access diverse materials, including the recorded lectures, homework sets, **Quizzes**, and the like. Moreover, I will post the course's announcements on SUCOURSE+ as well.
- Look upon the web for the recitations schedule, whose delivery method will be Zoom. Your TA will post the meeting specifics shortly. During the corresponding sessions, she/he will solve a selection of the homework exercises and address your questions.

NOTE: I will not allow anyone to enter the classroom 15 minutes after the beginning of the class. I will enforce this rule throughout the semester. Please mind that failing to comply with this information on exam/quizzes dates will result in a grade of zero for the corresponding evaluation. If I could, I would also implement this policy regarding Zoom meetings, but that is unfeasible for some students that made it on time may subsequently lose connectivity.

Regular Exams and Quizzes:

This class comprehends the following grading components:

- One Midterm: 40 % of your final grade. This Exam is **IN PERSON**.¹ It will last 1.5 hours. We will hold this Exam on **Sunday, November 14**, and I will announce the exact time for the test in due course. They may contain multiple-choice questions and short-answer questions. Its coverage includes all the topics we manage to discuss before **Sunday, November 14**.

¹ If for some reason you anticipate that it will be impossible for you to attend the midterm, then you need to contact the FASS Dean's office requesting permission to present an online examination instead. **I have no jurisdiction on these affairs.**

- One Final Exam: (Comprehensive): 40 % of your final grade. This Exam is **IN PERSON**.² It will last 1.5 hours
- Four Quizzes: 20 % of your final grade (5% each). You will solve them **ONLINE**. They may take place on unannounced dates during your recitation sessions or your regular lectures and will last for 30 minutes. They will contain a few multiple-choice questions. The usual rules for online examinations apply. Specifically, your webcam must always be on during quizzes. Otherwise, your exams will be void. In addition, you must connect to the Zoom link for the course with your official Sabancı University email account and avoid using other email accounts.

Missing a Quiz/Midterm:

- If having missed a Quiz/Exam results from illness, the student must hand in a formal doctor's note from a hospital. (A doctor's note taken from a doctor's private practice does not count as formal.) In all instances, the university health service must verify the doctor's prescription. Therefore, you should submit the doctor's note to the Health Center timely. Failing to present an exam without any valid documented reason will result in a zero for that Exam.
- Suppose you experience any technical problem with your internet connection during a Quiz. As a result, you cannot submit your answers timely. In that case, you must send me ASAP evidence showing the technical problem (a screenshot displaying what the problem was).
- Suppose you miss either one or more quizzes or the midterm. However, you presented a valid documented reason (as per above). In that case, you can recuperate the lost points via an **IN PERSON**, comprehensive, 1.5 hours long makeup exam on **Sunday, December 19**. This Exam's weight will match the grade percentage you have missed. Finally, note that it will evaluate all the topics we manage to cover before Sunday, December 19.

Further details

- **Textbook**: Varian, Intermediate Microeconomics: A Modern Approach (Eighth Edition).
- **Class Materials**: I will post diverse materials to complement the textbook, such as videos and presentations.
- **Prerequisites**: Multivariate Differential Calculus. Familiarity with elementary geometry and calculus is required. It is your responsibility to review these tools.
- **Reading and homework assignments** will appear on the class website. Homework is crucial. It will not be "handed in." Instead, our TAs will go over the answer keys for some of the exercises. More specifically, your TAs will post weekly homework questions that they will subsequently solve during the recitation sessions.
- **Attendance**: Attending the weekly zoom meetings and in-person lectures is necessary to understand the material better. The Exam's coverage will closely follow the class lectures and homework assignments, with the text providing supplementary discussions.

² If for some reason you anticipate that it will be impossible for you to attend the final exam, then you need to contact the FASS Dean's office requesting permission to present an online examination instead. **I have no jurisdiction on these affairs.**

- **Individualized Extra-Credit:** Under no circumstances will I grant extra-credit work to individual students.
- **GRADING SCALE:** You will have weighted scores at the end of the semester, adding up to 100 points or less.
- **Do not allow the scale to mislead you.** For “True or False” questions, answers without elaboration receive no points. A student will get partial credit only for those incomplete, not incorrect, answers. If your work contains logically inconsistent reasoning, it will receive no points at all.
- **Words of advice:** The key to obtaining a good grade is to keep up. The material builds on itself as the semester progresses. Only a few students can study “the night before the exam” and do well. You are encouraged to form a “study group” with your classmates.

Objectives and Contents:

- Consumer theory and demand; production, costs, and supply; analysis of market structure; welfare, market failures, imperfect information and the role of the government in a market economy.
- Microeconomic analysis is the study of how societies control and organize the production and distribution of goods and services. In this course, we will attempt to explain how consumers, firms, and workers interact, why they behave in particular ways, and what the outcome of that behavior might be. Economists try to understand how and why the economy works. There is much that we already know, but there is also a great deal that we still do not understand. This makes economics an exciting subject, both to teach and to study.

Course Outline

- 1) Introduction: Flow diagram model, PPF Model, and Supply and Demand (Chapter 1)
- 2) Math Review*
- 3) Budget Constraints (Chapter 2)
- 4) Preferences (Chapter 3)
- 5) Utility (Chapter 4)
- 6) Choice (Chapter 5)
- 7) Marshallian Demand and different types of goods (Chapter 6)
 - a. Definitions and Examples (Chapter 6)
 - b. Indirect Utility Function*
 - c. Duality*
- 8) Revealed Preferences (Chapter 7)
- 9) Slutsky Equation (Chapters 8 and 9)
 - a. Endogenous income (Chapter 8)
 - b. Exogenous income and endowment effect (Chapter 9)
- 10) Intertemporal Choice (Chapter 10)
- 11) Consumer Surplus (Chapter 14):
 - a. Compensating Variation
 - b. Equivalent Variation
- 12) Expenditure Minimization*
 - a. Hicksian Demand*
 - b. Properties and Examples*
- 13) Market Demand (Chapter 15)
- 14) Technology (Chapter 18)
- 15) Profit Maximization (Chapter 19)

- 16) Cost Minimization (Chapter 20)
- 17) Cost Curves (Chapter 21)
- 18) Firm Supply (Chapter 22)
- 19) Industry Supply (Chapter 23)
- 20) Monopoly (Chapters 24-26)
- 21) Time Permitting: Externalities and Public Goods (34 and 36)

Our text does not fully cover the topics marked with a *. Therefore, to review them, we will rely solely on my class notes that I will post on SUCOURSE+.

Final Remarks:

- After each Exam/Quiz, our TA will offer you the chance to object to her/his grading within an online meeting. If you do not attend the objection session, you will not be able to object to your grade at all.
- On a TBA date (sometime in January), I will announce the final grades. That same day you will have the chance to hold a virtual meeting with me and object your marks corresponding to the Final Exam. In addition, you will be able to alert me about any possible mistake in your records. However, under no circumstances will you object to the grading of your past exams/quizzes.
- On October 12, I will be late for the C-section lecture. We will begin at 11:15.

Letter Grades:

A	A-	B+	B	B-	C+	C	C-	D+	D	F
85-	80-	75-	70-	65-	60-	55-	50-	45-	40-	
100	84	79	74	69	64	59	54	49	44	0-39

Zoom Meetings:

Link: <https://sabanciuniv.zoom.us/j/94480529687?pwd=M1BxK3dPU3JsNVpoUnVKNGh0VGhzdz09>

Passcode: 54181 (will change after the second week of classes)

ID: 944 8052 9687