0201E101
Microeconomics

Instructor: TBA

Time: December 14, 2026 - January 15, 2027

Office Hours: by appointment

Contact Hours: 60 (50 minutes each)

Credits: 4

E-mail: TBA

Course Description

This course introduces microeconomics to the student by showing how consumers and producers choose to allocate scarce resources to satisfy their unlimited wants. This course emphasizes the nature and functions of product markets, factor markets and the role of government in promoting greater efficiency and equity in the economy. Topics include scarcity, demand and supply, equilibrium, opportunity costs, production possibility and indifference curves, specialization, comparative advantage, economic profit, the different types of market structures, and world trade and equilibrium.

Course Goals

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

- Possess a general understanding and working knowledge of microeconomics and its application to the real world.
- Understand the allocation of scare resources into the market economy and the marginal behavior of the decision-makers.
- Explain the market structures and changes in the equilibrium outcomes.

- Built a conceptual framework to better understand the related economic, social, and political issues in the U.S. around the world.
- Provide a set of analytical tools and methods applicable to other social science, business and professional studies.

Prerequisites

No prerequisites

Course Outline

Please note that the outline is meant to give an overview of the major concepts in this course. Changes may occur in this outline as needed to aid in the student's development.

<u>Module 1:</u>

- Topic 1. - *Review of Mathematical Concepts Required for the Course (Chapter 2–Appendix)*

  Focus: Geometry, Order of operations, Balancing equations, The slope of a line (Y = a + bx), Algebraic equations, etc.

- Ten Principles of Economics

  Emphasis: The ten principles are grouped into three categories: "how people make decisions, how people interact, and how the economy works as a whole."

- Topic 2. *Thinking Like an Economist*

  Emphasis: The first two models, Circular-flow and the Production Possibilities Frontier.

- Topic 3. Interdependence and the Gains from Trade

  Emphasis: The opportunity costs, the specialization from the comparative advantage and the gains from it.

- Assignment 1
- Quiz 1

<u>Module 2:</u>

- Topic 1. The Market Forces of Supply and Demand

Emphasis: An examination of how supply and demand for a good determines both the quantity produced and the price at which the good sells. This model is the foundation of our discussion for the remainder of the text.

- Topic 2. *Elasticity and Its Applications*

  Emphasis: 1. To assess the responsiveness of the quantity demanded or quantity supplied due to a change in the price of a good or service (i.e. price elasticity of demand or supply). 2. To compute the total revenue of a firm along with its price discrimination policy based on the type of price elasticity of demand.

- Topic 3. *Supply, Demand, and Government Policies*

  Focus: The supply and demand model are associated with government policies of price ceilings and price floors.

- Assignment 2
- Quiz 2

<u>Module 3:</u>

- Topic 1. *Policies Consumers, Producers, and the Efficiency of Markets*

Emphasis: 1. (consumer & producer surplus, welfare economics) are used extensively in the real world to assess the costs and benefits of policies and market imperfections. 2. Adam Smith's invisible hand, a.k.a. the principle that markets are usually a good way to organize economic activity.

- Topic 2. *Application: The Costs of Taxation*

Focus: How a tax affects the market participants (consumer & producer surplus, welfare economics) are used to assess the determinants of the deadweight losses and the gains from trade.

- Topic 3. *Application: International Trade*

Focus: 1. To assess the determinants of (free) trade (world price and comparative advantage) with winners and losers. 2. The effects of tariffs, import quotas and other trade policies are used to investigate the arguments for restricting trade.

- Assignment 3
- Quiz 3

<u>Module 4:</u>

- Topic 1. *Externalities*

  Emphasis: The costs and benefits associated with positive and negative externalities are used to assess public policies toward externalities.

- Topic 2. *Public Goods and Common Resources*

  Focus: Public goods and Common resources. Common resources, like public goods are not excludable.

- Assignment 4
- Quiz 4
- ***Exam 1***

Module 5:

- Topic 1. *The Costs of Production*

  Concentration: How much does it cost a firm to produce goods/ services. Students should think of several costs that a real-world firm actually faces and the kinds of decisions that are affected by these costs. Costs affect policies.

- Topic 2. *Firms in Competitive Markets*
- Focus: To explore the firm's behavior under Perfect competition (MC=MR and P=MR). This is the first set of the firmsthat make up the market structure. The model serves as a point of reference.
- Topic 3. *Monopoly*

  Concentration: The relation between MR and P for a monopolist. Price P > MR Marginal revenue implies that there is market power.

- Assignment 5
- Quiz 5

Module 6:

- Topic 1. *Monopolistic Competition*

  Emphasis: The third market structure which is easier for students. The firms are on a typical main street: the coffee shops, donut shops, flower shops, etc. P > MR.

- Topic 2. *Oligopoly*

  Focus: Industry that is controlled by a few firms. The concentration ratio and game theory concepts will be addressed.

- Assignment 6

- Quiz 6

Module 7:

- Topic 1. *The Markets for the Factors of Production*

  Objective: This chapter develops the neoclassical theory of income distribution, in which each factor of production earns a price that equals the value of its marginal product

- Topic 2. *Earnings and Discriminations*

  Focus: Wage differentials depend on education, skill, natural talent/beauty etc. and are closely related to productivity.

- Assignment 7
- Quiz 7

Module 8:

- Topic 1. *Income Inequality and Poverty*

  Focus: 1. Inequal distribution of income is often associated with wage differentials and can lead to poverty. 2. Emphasis on government anti-poverty policy to reduce it.

- Topic 2. *The Theory of Consumer Choice*

  Concentration: 1. What consumer can afford is usually associated with the budget constraint and what consumer wants is determined with its preferences on the indifference curves. 2. Consumer choices are optimized from the indifference curves along with the income and prices effects; income and substitution effects

- Assignment 8
- Quiz 8
- ***Final Exam***

Grading Policy

Your grade will be based on quizzes, homework, exams, and participation.

Quizzes:	Eight quizzes	30%

Exams:	Two exams	50%
Homework:	Eight homework assignments	20%
TOTAL		**100%**

Grading System

The instructor will use the grading system as applied by JNU:

Definition	Letter Grade	Score
Excellent	A	90~100
Good	B	80~89
Satisfactory	C	70~79
Poor	D	60~69
Failed	E	Below 60

Academic Integrity

As members of the Jinan University academic community, students are expected to be honest in all of their academic coursework and activities. Academic dishonesty includes (but is not limited to) cheating on assignments or examinations; plagiarizing, i.e., misrepresenting as one's own work any work done by another; submitting the same paper, or a substantially similar paper, to meet the requirements of more than one course without the approval and consent of the instructors concerned; or sabotaging other students' work within these general definitions. Instructors, however, determine what constitutes academic misconduct in the courses they teach. Students found guilty of academic misconduct in any portion of the academic work face penalties that range from the lowering of their course grade to awarding a grade of E for the entire course.