



## Korea University International Summer Campus (KU ISC) 2018

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June 26, 2018 ~ August 2, 2018

### ISC202B - Introduction to Microeconomics

#### I . Instructor

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#### II. Textbook

Required Textbook : Microeconomics, 4<sup>th</sup> ed., Krugman and Wells  
ISBN-13: 978-1464143878



#### III. Course Description and Objectives

Microeconomics studies the economic behavior of individual decision-making agents such as consumers, resource owners and firms. The main objective of this course is to provide a basic understanding of economic decision-making, including the behavior of consumer and producers. The bulk of the course will focus on market structures (perfect competition, monopoly and oligopoly) and the circumstances under which markets fail. You are expected to be familiar with elementary algebra and graphs.

The text for this course is *Microeconomics* by Paul Krugman and Robin Wells 4<sup>th</sup> ed.—the 3rd (or any older) edition will also do, if you wish to purchase a hard copy! All homework assignments and experiments will be on a web-based resource called *Sapling*. You will have to register with Sapling for around \$40; they will give you access to an online version of the Krugman-Wells textbook on Sapling for an additional \$50.

- **Please note that if you miss a Sapling problem set for whatever reason, I cannot let you take it once the deadline is past!**
- However, you do have two “free passes”: at the end of the semester, I will calculate your percentage scores on each problem set and drop your two lowest scores. This allows you to miss two problem sets during the course of the semester.
- Before the final, I may ‘curve’ your grades (i.e., lower the grade cut-offs slightly) to take into account the performance of your class.
- There will be NO opportunities for additional credit to be earned, say, by writing a paper or doing extra problems.

- There will be NO makeup tests in general. However, if you know you'll miss a test on the scheduled date, you may arrange to take it early. If something totally unforeseen comes up on the day of your test that prevents you from testing, contact me IMMEDIATELY.
- **It is understood that at all times you will adhere to Korea University's Student Code of Conduct. Violations of academic integrity (cheating, fabrication, facilitating academic dishonesty, plagiarism, denying others access to information or material) will not be tolerated. For the record, you may consult your classmates on Sapling homework assignments—that does NOT constitute a violation of the Code of Conduct.**
- **There is a strict *no-electronic-devices-in-use* policy in the classroom! That means NO computers or tablets in use and NO TEXTING on cellphones. If you need to use your phone for talking or texting, please exit the room to do so. Please silence all electronic devices that can make noise before you come into the classroom.**

#### Miscellaneous

- You are expected to have some knowledge of algebra and graphs.
- **Warning:** While I do not take attendance, you're virtually *guaranteed* to do poorly if you skip classes because 10% of your grade comes from in-class work. Also I do not stick to the book. You are responsible for all material, including topics covered in class that are not in the book or are treated differently from the book. If you must miss class, make sure you get notes from one or two classmates, set up an appointment to see me and catch up ASAP.
- **Please start working on your online problem sets early!** You can keep trying to answer each question until you get it right or give up. However, you lose 5% of the points available for each incorrect attempt. Feel free to consult with your classmates on difficult questions if you wish.
- Some material will be posted on Sapling and generally will be in PDF format for download.
- A few suggestions from previous students to make your life easier:
  - Use a binder to organize the materials for this course.
  - Print out the posted materials and emails and file them immediately.
  - Bring colored pens or pencils to class for note taking (I make a lot of use of color).
  - Review your materials regularly and flag your questions with Post-It notes.
  - Ask me questions in class or by email or in person.

## IV. Grading

Exam 1	:	20%
Exam 2	:	20%
Final Exam	:	30%
Quizzes	:	15%
Sapling HW	:	15%

## V. Class Outline

Date	Topic	Chapter	Remarks
June 26 (Tue)	Orientation Day		
June 27 (Wed)	Opportunity costs, PPFs	1, 2	
June 28 (Thu)	Comparative advantage and trade	8	
June 29 (Fri)	Demand and supply: basics	3, 4	
July 2 (Mon)	Demand and supply: interventions	4, 5	
July 3 (Tue)	Demand and supply: interventions	5	
July 4 (Wed)	Elasticities	6, 10	
July 5 (Thu)	Consumer theory: budgets and preferences	10	
July 9 (Mon)	<b>TEST 1</b>		
July 10 (Tue)	Producer theory: production & cost curves	11	

July 11 (Wed)	Perfect competition: short run	12	
July 12 (Thu)	Perfect competition: long run; efficiency	12	
July 16 (Mon)	Monopoly: production and inefficiency	13	
July 17 (Tue)	Monopoly: differential pricing	13	
July 18 (Wed)	Natural monopoly	13	
July 19 (Thu)	<b>TEST 2</b>		
July 23 (Mon)	Market failure: externalities	16	
July 24 (Tue)	Externalities	16	
July 25 (Wed)	Public goods	20	
July 26 (Thu)	Game theory	14	
July 30 (Mon)	Game theory	14	
July 31 (Tue)	Duopoly, oligopoly	14	
Aug 1 (Wed)	<b>FINAL EXAM</b>		
Aug 2 (Thu)	Discuss final exam and grade		