



Kasetsart University
Faculty of Economics, EEBA
Bachelor of Arts (International Program) in Entrepreneurial Economics
Course Syllabus (First semester, 2019)

Course name: Intermediate Microeconomics
Course code: 01-111-213 **Total credit:** 3 (3-0)
Prerequisite: Principle of Microeconomics
Instructors: Asst.Prof. Dr.Apichart Daloonpate fecoacd@ku.ac.th
Asst.Prof. Dr.Chayun Pipoblabanan chayun@hotmail.com

Course Description

An analytical approach to consumers, firms, and markets, Determination of prices and quantities for goods and services in the perfect and imperfect markets, theories of factor markets, general equilibrium and welfare economics.

Course objectives

- 1) To equip the students with the ability to analyze economic phenomena related to issues and perspectives of the individual economic agent among consumers, firms, and markets.
- 2) To provide the students with the understanding of the allocation of scarce resources, consumption, production, distribution of resulting output and effects of this allocation and distribution.
- 3) To train the students to analyze the effect of government intervention and regulation.

Required textbook

Robert S. Pindyck and Daniel L. Rubinfeld, 2013, *Microeconomics 8th edition*, Pearson.
Varian, Hal R. (2005) *Intermediate Microeconomics 7th edition*. WordPress.com
Online: https://ugess3.files.wordpress.com/2015/08/book-intermediate-microeconomics-a-modern-approach_-7th-edition-hal-r-varian-w-w-norton-2005.pdf

Course schedule (Time may be Subject to change)

Wk	Topics	Instructor	Date
I: Introduction: Markets and Prices			
1	The Basics of Supply and Demand (Ch.2) <ul style="list-style-type: none"> ▪ Supply and Demand ▪ The Market Mechanism ▪ Changes in Market Equilibrium ▪ Elasticities of Supply and Demand ▪ Short-Run versus Long-Run Elasticities ▪ Understand and Predicting the Effects of Changing Market Conditions 	Apichart	15 August
II: Consumers, Producers, and Competitive Markets			
2	Consumer Behavior (Ch.3) <ul style="list-style-type: none"> ▪ Consumer Preferences ▪ Budget Constraints ▪ Consumer Choice ▪ Revealed Preference ▪ Marginal Utility and Consumer Choice ▪ Cost-of-Living Indexes 	Apichart	22 August
3	Individual and Market Demand (Ch.4) <ul style="list-style-type: none"> ▪ Individual Demand ▪ Income and Substitution Effects ▪ Market Demand ▪ Consumer Surplus ▪ Network Externalities ▪ Empirical Estimation of Demand ▪ Demand Theory – A Mathematical Treatment (Ch.4 appendix) 	Apichart	29 August
4	Uncertainty and Consumer Behavior (Ch.5) <ul style="list-style-type: none"> ▪ Describing Risk ▪ Preferences Toward Risk ▪ Reducing Risk ▪ The Demand for Risky Assets 	Apichart	5 September
*****QUIZ 1 (5 %)** Monday 9 September 16.30-17.30pm		Apichart	
5	Production (Ch.6) <ul style="list-style-type: none"> ▪ Firms and Their Production Decisions ▪ Production with One Variable Input (Labor) ▪ Production with Two Variable Inputs ▪ Returns to Scale 	Apichart	12 September
6	The Cost of Production (Ch.7) <ul style="list-style-type: none"> ▪ Measuring Cost: Which Costs Matter? ▪ Cost in the Short Run ▪ Cost in the Long Run ▪ Long-Run versus Short-Run Cost Curves ▪ Production with Two Outputs – Economies of Scope ▪ Dynamic Changes in Costs – The Learning Curve ▪ Estimating and Predicting Cost 	Apichart	Monday 16 September **(16.30 - 19.30pm)
7	Profit Maximization and Competitive Supply (Ch.8) <ul style="list-style-type: none"> ▪ Perfect competitive market ▪ Profit Maximization ▪ Marginal Revenue, Marginal Cost, and Profit Maximization ▪ Choosing Output in the Short Run 	Apichart	19 September

Wk	Topics	Instructor	Date
	<ul style="list-style-type: none"> ▪ The Competitive Firm's Short-Run Supply Curve ▪ The Short-Run Market Supply Curve ▪ Choosing Output in the Long Run ▪ The Industry's Long-Run Supply Curve 		
	*QUIZ 2 (5 %)** Monday 23 September 16.30-17.30pm	*****	
8	The Analysis of Competitive markets (Ch.9) <ul style="list-style-type: none"> ▪ Evaluating the Gains and Losses from Government Policies – Consumer and Producer Surplus ▪ The Efficiency of a Competitive Market ▪ Minimum Prices ▪ Price Supports and Production Quotas ▪ Import Quotas and Tariff ▪ The Impact of a Tax or Subsidy 	Apichart	26 September
Midterm examination		28 Sept – 6 Oct	To be announced
III: Market Structure and Competitive Strategy			
9	Market Power: Monopoly and Monopsony (Ch.10) <ul style="list-style-type: none"> ▪ Monopoly ▪ Monopoly Power ▪ Sources of Monopoly Power ▪ The Social Costs of Monopoly Power ▪ Limiting Market Power: The Antitrust Laws 	Chayun	17 October
10	Pricing with Market Power (Ch.11) <ul style="list-style-type: none"> ▪ Capturing Consumer Surplus ▪ Price Discrimination ▪ Intertemporal Price Discrimination and Peak-Load Pricing ▪ The Two-Part Tariff ▪ Bundling ▪ Advertising 	Chayun	24 October
11	Monopolistic Competition and Oligopoly (Ch.12) <ul style="list-style-type: none"> ▪ Monopolistic Competition ▪ Oligopoly ▪ Price Competition ▪ Competition versus Collusion: The Prisoners' Dilemma ▪ Implications of the Prisoners' Dilemma for Oligopolistic Pricing ▪ Cartels 	Chayun	31 October
12	Game Theory and Competitive Strategy (Ch.13) <ul style="list-style-type: none"> ▪ Gaming and Strategic Decisions ▪ Dominant Strategies ▪ The Nash Equilibrium Revisited ▪ Repeated Games ▪ Sequential Games ▪ Threats, Commitments, and Credibility ▪ Entry Deterrence ▪ Auctions 	Chayun	7 November
13	Markets for Factor Inputs (Ch.14) <ul style="list-style-type: none"> ▪ Competitive Factor Markets ▪ Equilibrium in a Competitive Factor Market ▪ Monopsony ▪ Monopsony Power 	Chayun	14 November

Wk	Topics	Instructor	Date
	<ul style="list-style-type: none"> ▪ Factor Markets with Monopsony Power ▪ Factor Markets with Monopoly Power 		
IV: Information Market Failure, and the Role of Government			
14	General equilibrium and Economic Efficiency (Ch.16) <ul style="list-style-type: none"> ▪ General equilibrium Analysis ▪ Efficiency in Exchange ▪ Equity and Efficiency ▪ Efficiency in Production ▪ The Gains from Free Trade ▪ An Overview – The Efficiency of Competitive Markets ▪ Why Market Fail 	Chayun	21 November
15	Market Failure (Ch.17 and 18) <ul style="list-style-type: none"> ▪ Markets with Asymmetric Information ▪ Externalities ▪ Public Goods 	Chayun	28 November
Final examination		To be announced	9 – 20 December

Course evaluation

	Midterm	Final	Total
Lecturer	Apichart	Chayun	100
Quizes	10	10	20
Midterm examination	40		40
Final Examination	-	40	40
Total	50	50	100

Grading scale

Grade	F	D	D+	C	C+	B	B+	A
Points	< 50	50-54	55-59	60-64	65-69	70-74	75-79	80 up