

COURSE SYLLABUS

COURSE TITLE:	INTERMEDIATE ECONOMIC ANALYSIS	COURSE CODE:	ECON 215
PREREQUISITES:	ECON 110 & ECON 120	SEMESTER:	SPRING 2017
INSTRUCTOR:	R. KRYS	CREDITS:	3
EMAIL:	rkrys@groupe-igs.fr	SCHEDULE:	Fridays 8:30 – 11:30

COURSE DESCRIPTION:

This course builds upon the foundations put into place in **PRINCIPLES OF MICROECONOMICS (ECON 120)** and **PRINCIPLES OF MACROECONOMICS (ECON 110)**. It provides students with the knowledge and practical methods to apply the general principles of microeconomics and macroeconomics to business problems.

COURSE OBJECTIVES:

The goal of this course is to analyze the following elements of the marketplace: supply and demand analysis, price/income/cross price and supply elasticities, production, productivity, costs of production, profit maximization/loss minimization under competitive and market power conditions.

In addition, macroeconomic problems facing households and firms are studied more closely: long-term growth, structural unemployment, effects of technology, consumer debt, government budget deficits, national debt, inflation, deflation, trade deficits, and exchange rate fluctuations.

EXPECTED LEARNING OUTCOMES:

Upon completion of this course, students should be able to:

- predict the direction of price and quantity changes using the supply-demand model;
- determine the impact of a price change on total revenue using the concept of price elasticity;
- understand the firm's cost structure and its link to profitability;
- distinguish between market structures (perfect competition, monopoly, monopolistic competition and oligopoly);
- determine the profit maximizing level of output for each market structure;
- analyze the economic efficiency of each market structure;
- identify and analyze the factors attributable to long-term economic growth;
- identify and analyze the factors affecting economic stability;
- identify and analyze the factors affecting the economic performance of an open economy;
- and
- evaluate the effectiveness of fiscal and monetary policies.

MANDATORY TEXTBOOK:

COURSE MATERIAL WILL BE PROVIDED BY THE PROFESSOR ON A WEEKLY BASIS.

EVALUATIONS:

The final grade will be determined as follows:

- (1) 25%: Class Participation including 2 Written Assignments
- (2) 15%: Quiz
- (3) 25%: Midterm Examination
- (4) 35%: Final Examination

Presence in class is MANDATORY. More than 2 absences will lead to a FAILING GRADE.

Written work and class discussion grades will be based on the following evaluation criteria:

SUPERIOR PERFORMANCE	SUFFICIENT PERFORMANCE	WEAK PERFORMANCE	INSUFFICIENT PERFORMANCE
<p>There is evidence in the work of a very good ability to evaluate, criticize, and produce well-reasoned arguments in defense of a point of view. There is an analytical approach to relevant material that includes use of secondary material properly referenced in coursework. Work will show the ability to identify and engage in the relevant issues within a clear and very well organized structure. Presentation standards are high and the assessed task is completed with a high degree of competence</p>	<p>Work is mainly descriptive but demonstrates a good coverage of relevant issues with occasional references to secondary material. Evidence exists of an ability to produce arguments relative to the issues under focus but with only limited, if adequate, evidence of an analytical, critical or evaluative response. Material is presented with reasonable care and has a discernible structure. The assessed task is completed competently but the work is largely descriptive and lacks originality.</p>	<p>Work is descriptive and covers some of the relevant material but lacks depth and offers little evidence of an analytical, critical or evaluative approach. Evidence exists of some ability to produce a limited range of arguments relative to the issues under focus. The work draws on only a very limited range of references to secondary material that in coursework is poorly referenced. Material is not particularly well presented or well-structured but there is an attempt at organization. Although there is evidence of an adequate understanding, the interpretation of a topic is limited while remaining intelligible</p>	<p>Work is of unsatisfactory quality lacking in structure and organization. The relevant issues are not identified or properly understood. Knowledge is superficial and sources uncited. Analysis and argument are very weak. Presentation is poor.</p>

COURSE SCHEDULE:

Dates	Reading/Homework	Session Content
Session 1 3-Feb-2017	A PROBLEM SET will be provided.	Supply and Demand. The Market Mechanism. Changes in Market Equilibrium. Elasticities of Supply and Demand. Short-Run versus Long-Run Elasticities. Effects of Government Intervention—Price Controls.
Session 2 10-Feb-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	Production. The Technology of Production. Production with One Variable Input. Production with Two Variable Inputs. Returns to Scale.
Session 3 17-Feb-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	The Cost of Production. 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.
Session 4 24-Feb-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	QUIZ Profit Maximization and Competitive Supply. Perfectly Competitive Markets. Profit Maximization. Marginal Revenue, Marginal Cost, and Profit Maximization. Choosing Output in the Short-Run. 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.
Session 5 3-March-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	Market Power: Monopoly and Monopsony. Monopoly. Monopoly Power. Sources of Monopoly Power. The Social Costs of Monopoly Power. Monopsony. Monopsony Power. Limiting Market Power: The Antitrust Laws.
Session 6 10-March-2017	I will provide you with A PROBLEM SET which you are to work on at home for the March 31 class. You will be called upon to answer the exercises in class.	Pricing with Market Power. Capturing Consumer Surplus. Price Discrimination. Intertemporal Price Discrimination and Peak-Load Pricing. Monopolistic Competition. Oligopoly. Price Competition. Competition versus Collusion: The Prisoners' Dilemma. Implications of the Prisoners' Dilemma for Oligopolistic Pricing.

		REVIEW FOR MID-TERM EXAMINATION
Session 7 17-March- 2017	First Written Assignment is due.	MID-TERM EXAMINATION
Session 8 31-March- 2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	Short-Run Fluctuations. How GDP is determined by combining the consumption function and the income identity through the concept of the spending balance. How government spending affects GDP through the multiplier. How endogenous net exports affect the spending balance.
Session 9 7-Apr-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	Financial Markets and Aggregate Demand. How the IS/LM framework can be used to analyze monetary and fiscal policy and how it is summarized by the aggregate demand curve.
Session 10 14-Apr-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	The Economic Fluctuations Model. How the adjustment process takes the economy from a position where GDP is either above or below potential GDP back to that point. How the dynamic effects of monetary and fiscal policies function in the fluctuation model.
Session 11 21-Apr-2017	I will provide you with A PROBLEM SET which you are to work on at home for next week's class. You will be called upon to answer the exercises in class.	The Monetary System. How the Fed makes decisions about monetary policy.
Session 12 28-Apr-2017	Second Written Assignment is due.	Long-Term Economic Growth. Why are there differences in growth rates across countries and over time? Why is technology the engine of growth? Sustainable development and growth Tying up loose ends. REVIEW FOR FINAL EXAMINATION

Final Exams will be scheduled by the administration and will be posted by 31 March 2017. The last day of the semester is 12 May 2017. DO NOT PLAN ANY TRAVEL BEFORE THIS DATE AS THERE ARE NO MAKE-UP EXAMS.

PROPER USE OF COMPUTERS IS ALLOWED. If you are not quite sure as to what constitutes "proper use" please come and see me. Also, **PLEASE TURN OFF YOUR INTERGALACTIC COMMUNICATORS.**