

EC05114 (3H73)
Microeconomic Analysis
Syllabus

University of Florida

Spring 2021

Instructor: Cecilia Peluffo

Email: mpeluffo@ufl.edu

Course time: Tuesdays & Thursdays 1:55 PM- 3:50PM

Office Hours: (Zoom) Fridays 1pm-4pm

Instructor Office Location and Phone: 323 MAT (352)-392-0160

TA: Maia Crook

Email: maiacrook@ufl.edu

Office Hours: (Zoom) Mondays and Wednesdays 4:00 PM - 5:00 PM

Course Objectives:

This course will cover Microeconomic Theory using calculus. We will start by analyzing the formulation of economic models and the importance of their assumptions. Then, we will cover in great detail concepts related to choice and demand, including the analysis of preferences and utility, utility maximization and choice, income and substitution effects and demand relationships among goods. Next, we will examine concepts related to the supply side of the market, with special emphasis on production functions, cost functions, and profit maximization by the firm. In the last part of the semester we will introduce the concepts of risk and information asymmetries. The main topics of the

course will be covered by the textbooks listed below, as well as additional materials discussed in class. For the midterms you are expected to be ready to answer questions on all the material covered in the course, including topics discussed in lectures and assignments (even when the material is not covered by the main textbook).

Readings

The readings of this course will include a main required textbook that will cover most of the topics, as well as complementary readings and journal articles.

Main Textbook (required):

Walter Nicholson, Christopher Snyder, *"Microeconomic Theory: Basic Principles and Extensions, 12th Edition"*, Cengage, 2017.

Other Suggested Book:

Jeffrey M. Perloff , *"Microeconomics: Theory and Applications with Calculus, 4th Edition"*, Public Affairs, 2017.

Course Delivery, Lectures and Course Communication:

Lectures will be held asynchronous online. Prerecorded lectures will be posted on each class day. I will share the links to the videos on Canvas. The lectures will be posted to Canvas on Tuesdays and Thursdays, following the course schedule. You are strongly encouraged to watch each lecture in a timely fashion (i.e., within 1 day of each being posted). Midterms will be taken synchronously at the assigned class time on the dates listed below. As in all courses, unauthorized recording and unauthorized sharing of recorded materials is prohibited. Announcements concerning the class will typically be made in lecture videos, UF emails, and through Canvas. You are responsible for all information made available through these avenues of communication (you are expected to check your UF email and Canvas daily).

Midterms

There will be two (non-cummulative) midterms. The exams will be closed book/closed note exams administered online in Canvas using the Honor Lock proctoring service. All exams will take place synchronously (i.e., at the same time) during our assigned class time. The fist midterm will take place on Tuesday February 23 at 1:55 PM (Eastern Standard Time zone) and the second midterm will take place on Tuesday, April 20 at 1:55 (Eastern Standard Time zone). The first midterm accounts for 45% of your final grade, and the second midterm accounts for 45% of your grade.

Make-up exams will be offered only on those circumstances in which you cannot take an exam for a valid reason according to UF policy, for example, illness (see [UF policy](#) on this). In that case, you should notify me prior to the start of the exam. In addition, you will need to provide valid documentation (within a week of your absence) justifying your absence. Supporting documentation related to excuses for missed exams must include contact information for verification purposes. Failure to comply with these rules will result in a zero score in the missed exam. Providing false documentation or creating a false excuse constitutes cheating under the University guidelines. UFs policy on academic honesty will be strongly enforced.

Problem Sets

Problem sets account for 10% of your final grade. There will be several problem sets over the semester. I will announce problem set due dates using Canvas. All assignments are due on Canvas before the deadline on the due date. Late submissions will not be accepted and will receive zero credit. As a general advice, make sure to submit your assignment at least several hours before the due date/time. In addition, after submitting your problem set through Canvas, make sure your submission is correct and contains all pages. If necessary, you will be able to replace your initial submission with an updated version before the deadline. You are responsible for verifying that any online assignment submission has properly been submitted through Canvas. Your lowest problem set grade will be dropped.

Grading

I will assign letter grades based on a curve at the end of the semester. The distribution of the grades will depend on the overall performance of the class. Information on

current UF grading policies for assigning grade points is available [here](#).

Academic Honesty:

I will strongly enforce the University of Florida's rules for academic honesty (which can be found [here](#)). Any violation of these rules will be prosecuted to the fullest extent. Examples of violations include, but are not limited to, cheating on exams or homework assignments and creating a false excuse to take a make-up exam.

Students with Disabilities:

Students with disabilities requesting classroom accommodation must first register with the Disability Resource Center (DRC). Once registered, The DRC will provide documentation to the student who must then provide this documentation to the instructor when requesting accommodation. Students with disabilities should follow this procedure as early as possible in the semester.

University Disclaimer for Recorded Lectures

Our class sessions may be audio visually recorded for students in the class to refer back and for enrolled students who are unable to attend live. Students who participate with their camera engaged or utilize a profile image are agreeing to have their video or image recorded. If you are unwilling to consent to have your profile or video image recorded, be sure to keep your camera off and do not use a profile image. Likewise, students who un-mute during class and participate orally are agreeing to have their voices recorded. If you are not willing to consent to have your voice recorded during class, you will need to keep your mute button activated and communicate exclusively using the "chat" feature, which allows students to type questions and comments live. The chat will not be recorded or shared. As in all courses, unauthorized recording and unauthorized sharing of recorded materials is prohibited.

Computer Access

The University requires access to and on-going use of a computer. This should not be a tablet device or smartphone, but an actual desktop or laptop computer. To succeed

in this course, you will also need a stable internet connection and appropriate space to take online exams using the Honor Lock proctoring service. Minimum equipment specifications are available at: <https://it.ufl.edu/policies/student-computing-requirements/>

Course Evaluation

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Students will be notified when the evaluation period opens, and can complete evaluations through the email they receive from GatorEvals, in their Canvas course menu under GatorEvals, or via ufl.bluera.com/ufl/. Summaries of course evaluation results are available to students [here](#).

Topics

The following is a list of broad topics that we will be studying in this course. The list does not include additional materials that we may discuss in class, as time permits.

1- Introduction: Economic Models

- Theoretical Models (Nicholson & Snyder, Chapter 1)
- Verification of Economic Models (Nicholson & Snyder, Chapter 1)
- Characteristics and Structure of Economic Models (Nicholson & Snyder, Chapter 1)

2-Choice and Demand

- Preferences and Utility (Nicholson & Snyder, Chapter 3)
- Utility Maximization and Choice (Nicholson & Snyder, Chapter 4)
- Income and Substitution Effects (Nicholson & Snyder, Chapter 5)
- Demand Relationships among Goods (Nicholson & Snyder, Chapter 6)

3-Production and Supply

- Production Functions (Nicholson & Snyder, Chapter 9)
- Cost Functions (Nicholson & Snyder, Chapter 10)
- Profit Maximization (Nicholson & Snyder, Chapter 11)

4-Uncertainty

- Introduction to Risk (Nicholson & Snyder, Chapter 7)
 - Expected Utility Theory (Nicholson & Snyder, Chapter 7)
 - Risk Aversion and Diversification (Nicholson & Snyder, Chapter 7)
 - Insurance (Nicholson & Snyder, Chapter 7)
- Other Suggested Reading: Perloff, Chapter 16

5-Market Failures

- Information Asymmetries (Nicholson & Snyder, Chapter 18)

- Contracts (Nicholson & Snyder, Chapter 18)

- Other Suggested Reading: Perloff, Chapter 19

Tentative Schedule

Date	Topics
1/12/2021	Theoretical Models
1/14/2021	Calculus Review
1/19/2021	Preferences and Utility
1/21/2021	Preferences and Utility (cont.)
1/26/2021	Utility Maximization and Choice
1/28/2021	Utility Maximization and Choice (cont.)
2/2/2021	Utility Maximization and Choice (cont.)
2/4/2021	Income and Substitution Effects
2/9/2021	Income and Substitution Effects (cont.)
2/11/2021	Income and Substitution Effects (cont.)
2/16/2021	Demand Relationships Among Goods
2/18/2021	Practice for Midterm 1
2/23/2021	Midterm 1
2/25/2021	No class (Recharge Day)
3/2/2021	Production Functions
3/4/2021	Production Functions (cont.)
3/9/2021	Cost Functions
3/11/2021	Cost Functions (cont.)
3/16/2021	Profit Maximization
3/18/2021	Profit Maximization (cont.)
3/23/2021	Profit Maximization (cont.)
3/25/2021	Applications
3/30/2021	Introduction to Risk
4/1/2021	Expected Utility Theory
4/6/2021	Risk Aversion
4/8/2021	Insurance
4/13/2021	Information Asymmetries and Contracts
4/15/2021	Practice for Second Midterm
4/20/2021	Midterm 2

Problem Set Due Dates¹:

1. Problem Set 1: due on 1/27/2021 at 11 pm (Eastern Standard Time zone)
2. Problem Set 2: due on 2/10/2021 at 11 pm (Eastern Standard Time zone)
3. Problem Set 3: not to turn in (will be solved by the instructor in class on 2/18/2021)
4. Problem Set 4: due on 3/10/2021 at 11 pm (Eastern Standard Time zone)
5. Problem Set 5: due on 3/24/2021 at 11 pm (Eastern Standard Time zone)
6. Problem Set 6: due on 4/7/2021 at 11 pm (Eastern Standard Time zone)

¹Students are responsible for checking their UF email and Canvas website daily for potential adjustments in the problem set due date schedule during the semester.