



Department of Economics
ECON 502: Advanced Microeconomics
Spring 2026

Instruction modality: In-person

Class and exam location: SGMH 2501

Class days and time: Mondays, 7-9.45 PM

Instructor: Div Bhagia

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Office hours: Mondays, 5-6.45 PM, or by appointment (in-person or on [Zoom](#))

Technical Problems

If you encounter any technical difficulties, contact the instructor immediately to document the problem. Then, contact: [student IT help desk](#), [email](#), phone = 657-278-8888, walk-in [Student Genius Center](#), online chat - log into [Portal](#); click "Online IT Help"; click "Live Chat."

For issues with Canvas: Canvas Support Hotline = 657-278-8888, [search the CSUF Canvas Guides with AI Assistant](#), or [report a problem](#).

Response Time

I usually respond to emails or LMS messages within 48 hours (excluding weekends or holidays).

Course Communication

All course announcements and individual emails are sent through CANVAS, which only uses CSUF email accounts. Therefore, you MUST check your CSUF email on a regular basis (several times a week) for the duration of the course.

Course Information

Prerequisites

ECON 310, ECON 441; Economics graduate standing.

University Catalog Description

Advanced treatment of decision-making by individuals and firms. Optimal resource allocation in partial and general equilibrium contexts. Topics include choice and preferences, duality, utility maximization, profit maximization, risk and uncertainty, information economics, and market power.

Additional Course Description

This course develops the core tools of microeconomic theory while connecting them to real-world applications and policy questions.

We begin by examining how consumers decide what to buy (lectures 1-2) and how firms organize production (lecture 3), then consider how these behaviors determine prices and quantities in competitive markets (lecture 4). From there, we explore what it means for a market to work efficiently and how to think about fairness (lecture 5). We then turn to market power (lectures 6-8): What happens when a single or a few large firms dominate the market? How does market power affect wages in labor markets?

In the second half of the course, we consider the need for government intervention when markets fail due to information asymmetries, externalities, or underprovision of public goods (lectures 9-10). Finally, we conclude by examining decision-making under uncertainty and strategic behavior through game theory (lectures 11-12).

Student Learning Outcomes

Upon successful completion of this course, students will be able to:

1. Model consumer and firm behavior and derive equilibrium prices and quantities in competitive markets
2. Apply welfare criteria to assess market efficiency and analyze tradeoffs between efficiency and equity
3. Analyze how market power affects prices, output, and wages in product and labor markets
4. Diagnose market failures arising from information asymmetries, externalities, and public goods, and evaluate policy responses
5. Apply expected utility theory to model choice under uncertainty and use game theory to solve strategic interactions

Required Texts

The following textbook is required for this course:

- *Microeconomic Theory: Basic Principles & Extensions* by Walter Nicholson, Christopher Snyder, 13th Edition.

Previous editions are also acceptable. Lectures will loosely follow the textbook. Supplementary readings, lecture slides, and problem sets will be posted on the course website.

Grading Policies and Standards

Grading Scale

In this course, the plus/minus system will be used. The grade breakdown is as follows:

98–100% = A+
93–97.99% = A (outstanding performance)
90–92.99% = A-
87–89.99% = B+
83–86.99% = B (good performance)
80–82.99% = B-
77–79.99% = C+
73–76.99% = C (acceptable performance)
70–72.99% = C-
67–69.99% = D+
63–66.99% = D (poor performance)
60–62.99% = D-
0–59.99% = F

Grade Breakdown

Your grade will be determined according to the following breakdown:

Assignment	Points/Percentage
Problem Sets	10
Midterm	40
Final Exam	50
Total	100

Problem Sets

Four problem sets will be assigned throughout the semester. Each will be graded complete/in-complete and worth 2.5%. To receive credit, you must submit a substantive attempt at all problems on time. Partial or blank submissions will receive no credit.

Examinations

Exams will be administered in-person on the days indicated in the class schedule. These dates are fixed and will not be changed. Exams will include multiple-choice, short-answer, and long-form reflective questions designed to assess your understanding of the material and your ability to communicate these ideas fluently. All work on exams must reflect your individual effort. Students are expected to follow University policies for Academic Integrity.

Requests for re-evaluation of graded material must be made within one week of the return of the assignment. All requests must be accompanied by a written explanation of your dispute. It is your responsibility to consult with any posted rubrics or keys prior to making a re-grade request. Final exam will be *cumulative*.

Extra credit

There are no extra credit options in this course.

Make-up and late submission policy

Make-up exams will only be offered under very limited circumstances. It is your responsibility to notify your instructor either in advance or within 24 hours of missing an exam. An assignment is considered late if it is posted/received past the due date and/or time. You are encouraged to set personal deadlines ahead of required due dates to allow for unforeseen events that prevent you from submitting your work on time. Communicate immediately with your instructor if you encounter a problem that may impact your ability to submit work on time. Work may only receive a maximum of 50% of the point total for the assignments submitted after the original due date and time unless approval for late work is given in advance. Specifically, late submissions will incur a 10% deduction per day until the maximum late credit is reached.

Generative AI Policy

Thoughtful and transparent use of generative AI tools as learning aids is acceptable in this course. You may use AI tools like ChatGPT to help brainstorm ideas, clarify concepts, or improve your writing, but you must acknowledge their use and demonstrate your own critical thinking. All final work must reflect your own analysis and understanding. For major assignments, you must

include a brief statement describing how you used AI tools, if at all. Using AI to complete assignments without engagement or to generate answers you cannot explain constitutes academic dishonesty. When in doubt about appropriate AI use, please consult with the instructor.

Alternative procedures for submitting work

In case of technical difficulties with CANVAS or other online resources, your instructor will communicate with students directly through their CSUF email. The instructor will provide directions on alternative methods for submitting work and/or may extend submission deadlines. If email is not available, students may contact the department office for guidance.

Authentication of student work

All assignments submitted for a grade in this class must be your individual work unless otherwise indicated. Student work will be authenticated by submission in class for in-person instruction and through Canvas for online instruction.

Retention of student work

Work submitted for a grade in this course, either as a hardcopy or through the CANVAS course site, shall be retained for a reasonable time after the semester is completed not to exceed the last day of the subsequent semester. Exam material is exempt from this policy; however, students have the right to review their work in the presence of the faculty member.

Academic Integrity

It is expected that any work submitted for a grade in this course will be the sole product of the individual student, unless otherwise permitted. Presenting work from other sources as your own is unacceptable and will result in a notification to the Dean of Students of a violation of campus standards. Behaviors that seek to gain an unfair advantage or negatively impact the ability of others to learn will also result in a report to the Dean of Students.

The consequences for cheating or other actions contrary to CSUF student conduct policies can be severe. Communicate with your instructor if you find yourself in a situation that might lead to a poor decision.

You are encouraged to use the resources provided by your instructor. Discuss the use of other online resources with your instructor. The use of sites, including but not limited to Chegg and Course Hero, which require subscriptions and provide solutions to homework problems, exam questions, etc., is explicitly prohibited in this course and is considered academic dishonesty.

Collaborating has been made easier by the many tools available to use on the internet (e.g. Discord, Zoom, Microsoft Teams). I encourage you to use these tools to work together, to form study groups, etc. However, any sharing of assignments (even if only intended to help) or using these communication tools for unauthorized collaboration is considered academic dishonesty. Unless otherwise explicitly stated by the instructor, assignments, and examinations must be completed on your own.

Technical Requirements

Students are expected to

1. Have basic computer competency which includes:
 - (a) The ability to use a personal computer to locate, create, move, copy, delete, name, rename, and save files and folders on hard drives, secondary storage devices such as USB drives, and cloud such as Google Drive (Titan Apps) and Dropbox
 - (b) The ability to use a word processing program to create, edit, format, store, retrieve, and print documents
 - (c) The ability to use their CSUF email accounts to receive, create, edit, print, save, and send an e-mail message with and without an attached file
 - (d) The ability to use an Internet browser such as Chrome, Safari, Firefox, or Microsoft® Edge to search and access web sites in the World Wide Web
2. Have ongoing reliable access to a computer with Internet connectivity for regular course assignments
3. Utilize updated version of Microsoft® Office (for P.C. or Mac) including Word, PowerPoint, and Excel to learn content and communicate with colleagues and faculty; have the ability to regularly print assignments
4. Maintain and access their CSUF student email account at least three times weekly
5. Use Internet search and retrieval skills to complete assignments
6. Apply their educational technology skills to complete expected competencies
7. Utilize other software applications as course requirements dictate
8. Utilize the LMS to access course materials and complete assignments

CBE Assessment Statement

The programs offered in the College of Business and Economics (CBE) at Cal State Fullerton are designed to provide every student with the knowledge and skills essential for a successful career in business. Since assessment plays a vital role in the college's drive to offer the best, several

assessment tools are implemented to constantly evaluate our program as well as our students' progress. Students, faculty, and staff should expect to participate in CBE assessment activities. In doing so, the college can measure its strengths and weaknesses and continue cultivating a climate of excellence in its students and programs.

Assurance of Learning (AoL) is an integral part of both our AACSB and WASC accreditation. Please visit the [Assessment and Instructional Support website](#) for more information on our college-based assurance of learning efforts, please visit the Assessment and Instructional Support website.

College and University Learning Resources

Wall Street Journal

You get a FREE subscription to the Wall Street Journal through the University. Activate your school-sponsored membership here: [WSJ.com/ActivateCSUF](https://www.wsj.com/activatecsuf).

University Learning Center

The goal of the University Learning Center is to provide all CSUF students with academic support in an inviting and contemporary environment. The staff of the University Learning Center will assist students with their academic assignments, general study skills, and computer user needs. The ULC staff work with all students from diverse backgrounds in most undergraduate general education courses, including those in science and math, humanities and social sciences, as well as other subjects. They offer one-to-one peer tutoring, online writing review, and many more services. More information can be found on the University Learning Center website.

Writing Center

The Writing Center offers 30-minute, one-on-one peer tutoring sessions and workshops aimed at providing assistance for all written assignments and student writing concerns. Writing Center services are available to students from all disciplines. Registration and appointment schedules are available at the Writing Center Appointment Scheduling System. Walk-in appointments are also available on a first-come, first-served basis to students who have registered online. More information can be found at the Writing Center webpage. The Writing Center is located on the first floor of the Pollak Library. Their phone number is (657) 278-3650.

Student Resources Website

It is the student's responsibility to read and understand the required and important [student information for course syllabi](#). Included is information about:

- University learning goals
- General Education learning objectives
- Netiquette/appropriate online behavior
- Students' rights to accommodations
- Campus student support resources
- Academic integrity
- Emergency preparedness/what to do
- Library services
- Student IT services and competencies
- Software privacy and accessibility
- Accessibility statement
- Diversity statement
- Land acknowledgement
- Final exam schedule
- Semester calendar

Tentative Course Schedule

Date	Lecture	Topics	References	Due
01/19	MLK Day			
01/26	1	Consumer Preferences and Choice	Ch. 3-4	
02/02	2	Demand Analysis and Consumer Welfare	Ch. 5-6	
02/09	3	Production, Costs, and Firm Supply	Ch. 9-11	PS 1
02/16	4	Competitive Market Equilibrium	Ch. 12	
02/23	5	Welfare Analysis and Efficiency	Ch. 13	
03/02	6	Monopoly and Market Power	Ch. 14	PS 2
03/09	7	Imperfect Competition and Oligopoly	Ch. 15	
03/16	8	Labor Markets	Ch. 16	
03/23	Midterm Exam			
03/30	Spring Recess			
04/06	9	Asymmetric Information	Ch. 18	PS 3
04/13	10	Externalities and Public Goods	Ch. 19-20	
04/20	11	Choice Under Uncertainty	Ch. 7	
04/27	12	Introduction to Game Theory	Ch. 8	PS 4
05/04	13	Add. Topics/Review		
05/11	Final Exam			