ECONOMICS 3070-004
Intermediate Microeconomic Theory
Fall 2000

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Office Hours: Tues., Thur.: 1:00 - 3:00p
or by appointment

Time and Place: MWF 1:00 - 1:50p. HLMS 241

Course Description:
The subject matter for intermediate microeconomic theory is the basis for almost everything economists do. The course is concerned with the behavior of individual economic agents and their interactions. It is aimed at helping you understand how individual economic agents make decisions and how markets work. The course is divided into three parts. The first deals with theories of consumer behavior and demand. We will show how a consumer may make optimal choices, how individual demands are formed, and how market demands can be derived. Part two discusses the firm's technologies and production. This lays the foundation for the study of firm behavior under different forms of market structure. The third part of the course integrates the previous material into models of prices and outputs under different market structures.

This is an intermediate course and therefore is open only to students who have passed an introductory (ECON 1000) or principles course in microeconomics (ECON 2010), and have passed MATH 1050, 1060, 1070, 1080, 1090, and 1100 or ECON 1078 and 1088. It is essential that you have knowledge of basic calculus. We will begin the course with a brief math review


Part I: Consumer Theory
   Introduction, Demand and Supply (Chapters 1 and 2)
   Consumer Preferences (Chapter 3)
   Individual and Market Demand (Chapters 4 and 5)
   Choices Involving Risk (Chapter 6)

Part II: Basic Producer Theory
   The firm and its technology (Chapter 7)
   Input choices and the cost of production (Chapter 8)
   Firm behavior under perfect competition (Chapter 9)
   Behavior of the firm under monopoly (Chapter 11)
Part III: Alternative Market Structures and Strategic Behavior

Oligopoly, monopolistic competition and game theory (Chapters 12 and 13)
Input markets (Chapter 14)
Resource allocation and economic efficiency (Chapters 16 and 17)

Grading:
Midterm Exam One  30%
Midterm Exam Two   30%
Final Exam         30%
Homeworks          10%

Exams:
There will be two midterm exams and one final exam. Exams are not cumulative, but the material
does build on itself so it is important to understand all of the concepts as we go:
Tests will consist of multiple-choice questions and some longer problems. No makeup exams will be
given. If you miss an exam, you will receive a zero unless you are ill and can provide proof (e.g. a
letter from the student health center). In the event that you miss an exam due to illness, the weight of
your final exam will be increased. You may take exams early if you arrange it with me.

Grading Scale:

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<tr>
<th>Your score</th>
<th>Grade</th>
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<tbody>
<tr>
<td>92% to 100%</td>
<td>A</td>
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<td>90% to 91%</td>
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<td>Below 59.5%</td>
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Note: The Economics Department will make reasonable accommodations for persons with
documented disabilities. Students must notify their instructors no later than Wednesday, January 26th,
and provide documentation of the disability obtained from the Disabilities Services office located in
Willard Hall, Room 322.