

# Syllabus

## Intermediate Microeconomic Theory

### ECON 3070-001

#### Spring 2013

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**Instructor:** Edward Kosack  
**Class Meeting:** TR 9:30AM – 10:45AM, University Club Room 4  
**Office Location:** Economics Building Room 307  
**Office Hours:** Tuesday from 12:00PM-1:00PM; Wednesday from 1:00PM-2:00PM;  
and by appointment.  
**Class Website:** Desire2Learn (D2L)  
**Email Address:** Edward.Kosack@colorado.edu  
*This is the best way to contact me outside of my office hours. Please allow me 24 hours to respond.*

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### COURSE OBJECTIVES

The study of Economics is much more than a simple college course; it is an entire way of thinking and of interpreting the events of the world around us. In this course, we will learn how to extend those concepts you first learned in your introductory courses with graphical and analytical tools, as well as with some good old intuition! Our journey begins with a detailed analysis of consumer theory as we discover how the demand side of the economy is built from the decisions of individuals. Then we will move to producer theory as we learn how a firm's production technology and cost structure provides the basis for the supply side of the economy. Finally, we will explore how these concepts apply to a number of different market structures, including perfect competition, monopoly, and various forms of imperfect competition. By the end of this course, you will have acquired the tools to advance further in the study of economics and to better understand the microeconomic foundations of the world around you!

### EXPECTATIONS

The students can expect me to do my best to assist them in their successful completion of the course. The students can also expect me to be professional and respectful at all times by arriving to class on time, silencing my phone and putting it away during class, reserving personal conversations for before and after class, and being courteous in interactions with others.

I expect the students to do their best and to take class seriously as they strive to do well in the course. This includes, attending the class regularly, completing all assignments, asking questions when something is unclear or needs further explanation, and actively participating in order to help us all understand the content better. I also expect the students to be professional and

respectful at all times by arriving to class on time, silencing and putting away their phones during class, reserving personal conversations for before and after class, and being courteous in interactions with others.

## **REQUIRED TEXT AND MYECONLAB PACKAGE**

In this course, you will be required to use a textbook, along with the MyEconLab program that accompanies it. The text is:

Perloff, Jeffrey M. *Microeconomics*. 6<sup>th</sup> Edition. Prentice Hall, 2011.

This text is available through the school bookstore. Again, you are *required* to purchase access to the MyEconLab program. There are three options through the school store: the hardback book with MyEconLab access, a looseleaf book with MyEconLab access, MyEconLab access only which includes access to an e-text version of the book. I don't care which you choose.

I will provide information the first week of class about how to register at the MyEconLab site. There will also be a representative from Pearson in class during the first week to give an overview about how to register.

## **PREREQUISITES**

Economics Prerequisites: ECON 1000 or ECON 2010

Mathematics Prerequisites: ECON 1078 and ECON 1088 OR MATH 1300 OR MATH 1310 OR MATH 1081 OR MATH 1080 and MATH 1090 and MATH 1100 OR APPM 1350 OR equivalent

This course will require the use of basic mathematical concepts including college-level algebra and calculus. We will do a math review on the first day of class. If you still find these concepts problematic, please see me as soon as possible!

## **CALCULATORS**

*Cell phone calculators will NOT be allowed during exams!!!*

Do not ask me to use a cell phone calculator on an exam; I will not make an exception and the answer will be a definitive "No." Please be sure to obtain an acceptable calculator type (any type of calculator other than a cell phone calculator) to use for exams.

## **ATTENDANCE**

You are all adults and I consider it a waste of precious class time to take attendance each class. That being said, you will not do well in this course unless you attend each day. You are expected to be here every day and to complete each assignment on time. As discussed below, there are no make-up opportunities for problem sets, team assignments, or exams (nor will these

be accepted late). Missing any one of these graded assignments will result in a grade of zero for that assignment. The exam dates are clearly listed on this syllabus. If you have a conflict, you can see me immediately, but I will probably suggest that you reschedule whatever else it is that you have going on or that you drop the course. No exceptions to this policy!!!

### **NOTES**

I do not, as a rule, distribute my lecture notes. If you must miss lecture for any reason, please be sure to obtain the notes from a classmate. I encourage you to come to office hours to discuss any of the material from lecture, but please be sure to take notes or obtain a copy from a classmate, read them over, and bring them with your specific questions to my office. I might provide skeleton outlines or supplementary notes on Desire2Learn throughout the semester, but these will not suffice as your sole source of information and it is imperative that you come and take notes during lecture.

### **EMAIL**

I encourage you to email me with any questions and concerns. Please be polite and considerate in all email communications. I will do my best to respond within 24 hours. This response may come in the form of an email directly back to you or, if the answer would be beneficial to the entire class, a mass email communication to the class or an announcement during the lecture.

### **GRADING<sup>1</sup>**

MyEconLab Problem Sets	25%
Team Assignments	20%
Written Assignment	10%
Exam #1	15%
Exam #2	15%
Exam #3	15%

**Problem Sets:** You will not fully grasp the material unless you practice on a regular basis. In order to facilitate this practice, I will assign weekly problem sets through the MyEconLab online platform. You will have a full week from the time of the assignment to complete the problem set (I will notify the course via email and via D2L announcement when the problem set is assigned). Please do not wait until the last minute to complete these. They might be long, you might want to ask questions, there might be a brief power or computer outage in your apartment, etc. Be sure to start these early enough to allow time to finish. There will be no extensions or makeups!

**Team Assignments:** This semester will not be interesting for either you or me if I am the only person talking each class. Also, forming a study group from the beginning

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<sup>1</sup> I reserve the right to curve the grades for any individual assignments or for the course overall if need be.

is one of the most effective ways to master the material and study for exams. Therefore, we will be forming teams and working on in-class assignments in these groups several times throughout the semester. Specifically, I will assign in-class assignments for you to work in your team and teams will be expected to present the solution to the problem to the entire class. Your grade will depend on your active participation in the group. This means that you will receive a grade of zero if you are not present in class to participate in the team assignment. There will be no way to make-up team assignments if you miss them, but I will drop the lowest team assignment score at the end of the semester.

Writing Assignment: It is important that you be able to apply the concepts we learn in class to analyze a real world situation. It is also important that you be able to express yourself effectively in written form. Therefore, I will assign a written article analysis at some point in the semester. Details about the assignment will come to you later in the semester. This assignment will have a firm deadline. There will be no opportunity to make it up!

Exam 1: The first exam will take place on Thursday, February 21<sup>st</sup> during the regularly scheduled class time. It will cover topics under the Introduction and Review of Principles as well as topics under Consumer Theory. There will be no makeup exam given.

Exam 2: The second exam will take place on Tuesday, March 19<sup>th</sup> during the regularly scheduled class time. It will cover topics under Producer Theory. There will be no makeup exam given.

Exam 3: The third exam will take place on Monday, May 6<sup>th</sup> from 1:30pm to 4:00pm (this is the final exam slot for our class). There will be two options for this exam. You may take a shorter exam that covers only material from the remaining third of the class (i.e., Market Structures and any Special Topics that we cover). Alternatively, you may choose to take a longer, comprehensive exam that is split into three parts that correspond to the three parts of the course (i.e., Part 1 will correspond to material from Exam 1 and Part 2 will correspond to material from Exam 2). If you choose this option and do better on any part than you did on the corresponding previous exam, I will replace your score of that exam with your score from the specific part on the final. Some people have bad days when they take exams, but if you can show me that you have learned the material by the time you leave my class, then I am happy! There will be no makeup exam given.

\*\*\*IMPORTANT\*\*\*

When students have three or more final examinations on the same day, they are entitled to arrange an alternative examination time for the last

exam or exams scheduled on that day. Such arrangements must be made no later than the end of the sixth week of the semester (i.e., no later than February 24<sup>th</sup>, 2013). Students are expected to provide evidence that they have three or more examinations to qualify for exceptions.

Grades will be determined as follows:

<u>Your Score</u>	<u>Grade</u>	<u>Your Score</u>	<u>Grade</u>
94.00 – 100	A	73.00 – 76.99	C
90.00 – 93.99	A-	70.00 – 72.99	C-
87.00 – 89.99	B+	67.00 – 69.99	D+
83.00 – 86.99	B	63.00 – 66.99	D
80.00 – 82.99	B-	60.00 – 62.99	D-
77.00 – 79.99	C+	59.99 and below	F

### **OUTLINE OF TOPICS**

- ❖ Introduction and Review of Topics from Principles
  - Microeconomic Models
    - Chapter 1 (1.1-1.3)
  - Supply, Demand and Equilibrium
    - Chapter 2 (2.1-2.5)
  - Elasticities
    - Chapter 3 (3.1-3.3)
- ❖ Consumer Theory – Where does Demand come from?
  - Preferences and Utility
    - Chapter 4 (4.1-4.2)
  - Constrained Choice
    - Chapter 4 (4.3-4.4)
  - Deriving an Individual's Demand Curve
    - Chapter 5 (5.1)
  - Effects of an Income Change
    - Chapter 5 (5.2)
  - Effects of Price Change (Income and Substitution Effects)
    - Chapter 5 (5.3)
  - An Application of Consumer Theory: Labor Supply
    - Chapter 5 (5.5)
- ❖ Producer Theory – How do firms make choices?
  - Short and Long Run Production
    - Chapter 6
  - Different Types of Costs
    - Chapter 7 (7.1)
  - Short Run Costs

- Chapter 7 (7.2)
- Long Run Costs and The Firm's Problem
  - Chapter 7 (7.3-7.4)
- ❖ Market Structure
  - Perfect Competition
    - Chapters 8 & 9
  - Monopoly
    - Chapter 11
  - Market Power
    - Price Discrimination – Chapter 12 (12.1-12.6)
    - Oligopoly and Monopolistic Competition – Chapter 13
- ❖ Special Topics (We may or may not get to these)
  - Game Theory
    - Chapter 14
  - Factor Markets
    - Chapter 15
  - Exertnalities and Public Goods
    - Chapter 18

## **ADDITIONAL INFORMATION**

### *Students with Disabilities*

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Center for Community N200, and <http://www.Colorado.EDU/disabilityservices>.

If you have a temporary medical condition or injury, see guidelines at <http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html>.

Disability Services' letters for students with disabilities indicate legally mandated reasonable accommodations. The syllabus statements and answers to Frequently Asked Questions can be found at <http://www.colorado.edu/disabilityservices>.

### *Religious Observance Policy*

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. If you have a conflict, please contact me at the beginning of the term so we can make proper arrangements.

### *Classroom Behavior Policy*

Students and faculty each have responsibility for maintaining an appropriate learning environment. Students who fail to adhere to such behavioral standards may be subject to

discipline. Faculty has the professional responsibility to treat all students with understanding, dignity and respect, to guide classroom discussion and to set reasonable limits on the manner in which they and their students express opinions.

Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at [http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student\\_cod](http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_cod)

### *Honor Code*

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-725-2273).

Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at [honorcode.colorado.edu](http://honorcode.colorado.edu) or <http://www.colorado.edu/policies/honor.html>.

### *Discrimination & Harassment Policy*

The University of Colorado at Boulder Discrimination and Harassment Policy and Procedures, the University of Colorado Sexual Harassment Policy and Procedures, and the University of Colorado Conflict of Interest in Cases of Amorous Relationships Policy apply to all students, staff, and faculty. Any student, staff, or faculty member who believes s/he has been the subject of sexual harassment or discrimination or harassment based upon race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127, or the Office of Student Conduct (OSC) at 303-492-5550. Information about the ODH, the above referenced policies, and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.