

ECON 3070-004

INTERMEDIATE MICROECONOMIC THEORY

FALL 2013

Instructor: Xin Wang
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Lecture: MWF 3:00 p.m.-3:50 p.m., ECON 119
Website: <https://learn.colorado.edu/>
Office: TBD
Office Hours: Monday & Wednesday 4 p.m. – 5 p.m. and by appointment

COURSE DESCRIPTION

This course studies the behavior of individual economic agents and their market interactions. The techniques presented in this course are used by almost every economist and can be applied to several fields including international economics, environmental economics, labor economics, and industrial organization.

The course is roughly composed of four parts. We begin with a basic review of supply and demand. Part 2 studies consumer behavior and market demand. We will show how a consumer may make optimal choices, how individual demands are formed, and how market demand can be derived. Part 3 discusses the firm's technologies, production functions and production costs. We shall see how firms can make the optimal input choices to minimize production costs. This lays the foundation for the study of behavior of firms under different forms of market structure. Part 4 integrates the previous material into models of prices and outputs. A variety of market structures are examined including perfect competition, monopoly, and oligopoly. Topics in game theory and business strategies will be covered.

PREREQUISITES:

Economics: ECON1000/ ECON 2010

Math: ECON 1078 & 1088 or MATH 1300 or MATH 1310 or MATH 1081 or MATH 1080 & 1090 & 1100 or APPM 1350 or equivalent.

In this course we will use calculus intensively. It is assumed that every student has a working knowledge of basic algebra, calculus and graphing skills. Relevant math techniques will be briefly reviewed when necessary, but you are responsible for the math requirements of this course.

TEXTBOOK

1. Lecture notes. I will distribute INCOMPLETE lecture notes before each class, and you need to print them yourself and fill them out during classes.

2. Besanko and Braeutigam, "Microeconomics", 5th Edition, Wiley. (Other editions are also fine). It is a highly recommended learning strategy to read relevant chapters in the textbook before each lecture.

GRADES

Your final grade will be depended on the maximum of the following two calculations:

Method 1		Method 2	
Problem Sets	20%	Problem Sets	20%
Participation	10%	Participation	10%
Two Midterms	40%	Your highest Midterm	30%
Final Exam	30%	Final Exam	40%

Hence if you "mess up" (or miss) either of the midterm exams (but not both), that test will automatically be dropped, and the comprehensive final is weighted more heavily in this case.

EXAMS (70%)

There will be 3 exams in total: 2 midterms and a cumulative final exam, all in the format of short answer questions. All exams are held in the regular classroom and the dates are listed below. **There will be absolutely no make-up exam if you missed one!!** You can use a simple calculator for these exams. Graphing calculators and cell phones are **NOT** allowed under any circumstances.

For student athletes, if you will be travelling during the semester and have a conflict with the exam schedule, please inform me as soon as possible.

Note: If you have 3 or more final exams on the same day, you are entitled to arrange an alternative exam time for the **last** exam scheduled on that day. To qualify for rescheduling final exam times, you must provide evidence that you have 3 or more exams on the same day, and you must make arrangements no later than the 6th week of the semester.

HOMEWORK (20%)

6 problem sets will be assigned throughout the semester as homework, among which you can drop the one with the lowest grade. The problem sets will be graded on a 0 to 5 scale: 0 for not handing it in, and 5 for exceptional performance. While each student should turn in their individual assignment, you are encouraged to discuss questions and work on them in small groups (but you need to provide me the members of your discussing group). Direct copying of PS is strictly forbidden, and the student will receive a 0 on the homework in that case. **No late ps will be accepted!**

ATTENDANCE & PARTICIPATION (10%)

Throughout the semester, I will not take attendance checks every class, but attending lectures are highly recommended since questions in your homework and exams will be directly related to the examples covered in lectures. I will distribute in-class practice questions randomly. You can form groups to discuss and complete these questions but each of you needs to submit your own work separately. I will collect them at the end of class. **Your answers will NOT be graded but each completed class-assigned work will be taken as your class participation grade.** This means either missing a class or incomplete work will end up with 0 participation grade on that day. There will be opportunities for extra credits based on your participation in class, such as solving problems on the board and presenting your work to the class. The dates of these activities will be randomly chosen.

LAPTOP POLICY

There is to be no laptop usage in this class at any time, for any reason (this includes Ipads and other tablets). The only exception to this rule is if disability services mandate that you must be allowed to use a laptop for note taking purposes. In this case, an official letter from disability services is required.

EMAIL

I will answer emails between 9am and 5pm from Monday to Friday. I will do my best to return emails within 24 hours. I will not answer to those asking questions answered in the syllabus (grading, office hours/location). If you email me a question about lectures, exams, or assignments I will most likely encourage you to come talk to me about it during my office hours.

TENTATIVE SCHEDULE

Date	Content	Notes
26-Aug	Syllabus & Analytical tools	
28-Aug	Analytical tools & Calculus test	
30-Aug	Calculus review & Supply and Demand	
2-Sep	No Class	Labor Day
4-Sep	Supply and Demand Analysis	
6-Sep	Preference and Utility	
9-Sep	Preference and Utility	
11-Sep	Preference and Utility	
13-Sep	Consumer Choice	
16-Sep	Consumer Choice	PS1 due
18-Sep	Consumer Choice	
20-Sep	Demand Theory	
23-Sep	Demand Theory	
25-Sep	Demand Theory	
27-Sep	Demand Theory	
30-Sep	Inputs and production functions	PS2 due
2-Oct	Inputs and production functions	
4-Oct	Inputs and production functions	
7-Oct	Midterm 1 Review	PS3 due
9-Oct	Midterm 1	
11-Oct	Costs and Cost minimization	
14-Oct	Costs and Cost minimization	
16-Oct	Costs and Cost minimization	
18-Oct	Costs and Cost minimization	
21-Oct	Shepard's Lemma	PS4 Due
23-Oct	Cost Curves	
25-Oct	Cost Curves	

28- Oct	Cost Curves	
30- Oct	Perfect Competitive Market	PS5 Due
1-Nov	Perfect Competitive Market	
4-Nov	Perfect Competitive Market	
6- Nov	Perfect Competitive Market	
8- Nov	Competitive Market: Application	
11- Nov	Monopoly	
13- Nov	Monopoly	
15- Nov	Market structure and competition	
18- Nov	Midterm2 review	PS6 Due
20- Nov	Midterm 2	
22- Nov	Market structure and competition	
25- Nov	NO class	Fall Break
27- Nov	NO class	Fall Break
29- Nov	NO class	Fall Break
2- Dec	Game Theory	
4-Dec	Topics: Risk and information	
6-Dec	Topics: General Equilibrium	
9-Dec	Review	
19-Dec	Final Exam	

ADDITIONAL NOTES

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 deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. See full details at http://www.colorado.edu/policies/fac_relig.html.

Classroom Behavior Policy

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity, and gender expression, age, disability, 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>
http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code.

Discrimination and 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>.

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; 303-735-2273). 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 <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>.