

ECON 3070-005
INTERMEDIATE MICROECONOMIC THEORY
SPRING 2012

Instructor: Weisi Xie
Email: weisi.xie@colorado.edu
Lecture: MWF 1:00pm - 1:50pm, ECON 119
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Office: Econ 309B
Office Hours: TR 9:30am – 10:30am or by appointment

COURSE DESCRIPTION

This course studies the behavior of individual economic agents and their market interactions. The course is roughly composed of four parts. Part 1 introduces the basics of microeconomic analysis, and serves as a quick review of some basic economic concepts. 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. Topics in game theory and business strategies will be covered. Economic efficiency and public policy issues will also be discussed.

PREREQUISITES:

Economic Prerequisites: ECON 1000 or ECON 2010

Math Prerequisites: 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.

REQUIRED TEXTBOOK

Microeconomics, by Besanko and Braeutigam, 4th Edition, Wiley (The 3rd edition also works). It is a highly recommended learning strategy to read relevant chapters in the textbook before each lecture. I will distribute incomplete lecture notes before each class and you have to fill them out during classes.

EXAMS (60%)

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. Each of the midterms counts for 15% of your final grade, and the final counts for 30%. **No Exam Will Be Dropped!! And 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 (**No later than Feb. 24th 2012**).

HOMEWORK (20%)

8 problem sets and 1 article analysis will be assigned throughout the semester as homework. For problem sets, students are required to form study groups of 4-5 people. Each student will submit a complete PS while within each group I will randomly pick 1 or 2 questions from each individual PS to grade, and everybody in the same group receives the same grade on that PS. So you are encouraged to discuss with your group mates before you turn in your assignment. **No Late PS Will Be Accepted!** If one of the assignments of a group was missing or not turned in on time, 1 point will be deducted from the grade of every group member (you may want to have a group leader to make sure that everyone turns in their PS' on time?). Also, copying of homework is **STRICTLY FORBIDDEN**. When a direct copying among group assignments is found and confirmed, each group member receives 0 credits.

Besides problems sets, each student will finish an article analysis using tools and concepts learned from this class. I will assign this project during spring break and more detailed instruction on this project will be explained later.

ATTENDANCE & PARTICIPATION (20%)

I will check attendance for ***EVERY*** lecture and if you missed more than ***9*** class meetings, your attendance grade will be deducted by 1% for each additional class you have missed, until it reaches 0. These absences are intended to cover both valid (illness, car breaking down, family emergency) and invalid reasons for missing class. At the end of the semester, students who have full attendance will receive extra credit.

Participation will take the form of quizzes and in-class activities (such as presenting your work to class). The dates of these activities will be randomly chosen.

The use of laptops is ***NOT*** allowed during class meetings. Your participation credits will be deducted ***WITHOUT*** warning if you were found using a laptop in class.

GRADING

Your grade will be determined as follows:

MT1 (15%) + MT2 (15%) + Homework (20%) + Attendance (10%) + Participation (10%) + Final (30%) = 100%

<u>Your score</u>	<u>Grade</u>	<u>Your score</u>	<u>Grade</u>
93%-100%	A	73%-76%	C
90%-92%	A-	68%-72%	C-
87%-89%	B+	63%-67%	D
83%-86%	B	60%-62%	D-
80%-82%	B-	<60%	F
77%-79%	C+		

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

Below is an outline for the semester. The topics are subject to changes. So you should take this as a guide and not set in stone. However, the midterm and final dates are firm.

Topics	Readings
1. Introduction to Microeconomic Analysis (Problem Set 1)	Chapters 1-2
2. Consumer Preference and Utility	Chapter 3
3. Consumer Choice (Problem Set 2)	Chapter 4
4. Individual and Market Demands	Chapter 5
5. Inputs and Production Functions (Problem Set 3)	Chapter 6
6. Input Choices and the Cost of Production (Problem Set 4)	Chapters 7-8
7. Perfectly Competitive Markets (Problem Set 5)	Chapters 9-10
8. Monopoly (Problem Set 6)	Chapters 11-12
9. Market Structure and Competition (Problem Set 7)	Chapter 13
10. Game Theory and Strategic Behavior (Problem Set 8)	Chapter 14
11. Risk and Information	Chapter 15

Exam Dates: Midterm 1, Monday, February. 27th, 1pm – 1:50pm

Midterm 2, Friday, March. 23th, 1pm – 1:50pm

Final Exam, Monday, May 7th, 1:30pm – 4:00pm

* *All exams will be held in ECON119.*

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 may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and www.colorado.edu/disabilityservices. 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>.

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; 303-725-2273).

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

<http://www.colorado.edu/policies/honor.html>

and at <http://www.colorado.edu/academics/honorcode/>.

Discrimination & Harassment Policy

The University of Colorado Policy on Sexual Harassment applies to all students, staff and faculty. Sexual harassment is unwelcome sexual attention. It can involve intimidation, threats, coercion, or promises or create an environment that is hostile or offensive. Harassment may occur between members of the same or opposite gender and between any combinations of members in the campus community: students, faculty, staff, and administrators. Harassment can occur anywhere on campus, including the classroom, the workplace, or a residence hall. Any student, staff or faculty member who believes s/he has been sexually harassed should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH and the campus resources available to assist individuals who believe they have been sexually harassed can be obtained at: <http://www.colorado.edu/odh/>