

**Intermediate Microeconomic Theory**  
**ECON 3070-010**  
Maymester 2017

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**Instructor:** William Ridley ([William.Ridley@colorado.edu](mailto:William.Ridley@colorado.edu))

**Office:** ECON 401 (north tower office)

**Office Hours:** MTWRF 11am–noon

**Class Time and Location:** MTWRF 12:30pm–3:30pm, ECON 117

**Class Website:** <http://learn.colorado.edu>

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### **Course Description**

Microeconomic theory is the study of individual decisions—typically those made by consumers and firms—in the presence of constraints. In this class we will explore how and why economic agents make these decisions. The models and techniques presented in this course are used by every economist in every field of economics, and by the end of the class, 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.

The class is broadly divided into four parts. Part 1 introduces the basics of microeconomic analysis and explores consumer behavior. Part 2 analyzes how firms/businesses make optimal decisions under different market structures. Part 3 combines the consumer and producer results from parts 1 and 2 to explore how consumers and producers interact in a market setting. Finally, part 4 explores different market structures and game theory/strategic behavior.

### **Recitation/TA information**

Cameron Duff ([Cameron.Duff@colorado.edu](mailto:Cameron.Duff@colorado.edu))

Recitation time/location: MTWRF 4:00pm–4:50pm, ECON 119

Office: ECON 401

Office hours: F 10am–noon

Jacob Howard ([Jacob.Howard@colorado.edu](mailto:Jacob.Howard@colorado.edu))

Recitation time/location: MTWRF 4:00pm–4:50pm, ECON 2

Office: ECON 401

Office hours: W 10am–noon

### **Textbook**

*Microeconomics* 5th edition, by D. Besanko and R. Braeutigam (4th edition is also fine)

### **Prerequisites**

In order to take this course, you must have passed an introductory course in microeconomics (ECON 2010), and have some working knowledge of calculus (through Calculus 1). In this course we will use calculus (mostly taking derivatives) almost every day. I assume that every student has a solid grasp of basic algebra, calculus, and graphing skills. If you do not meet any of the prerequisites, please arrange to speak with me as soon as possible.

## Attendance

Since this is a Maymester class that moves at a highly accelerated pace, you are expected to attend every lecture, but since you are all (legally) adults, I do not require attendance. You are responsible for all material presented in lecture, so if you miss a class, it is your responsibility to connect with a classmate to get the notes that you missed, or meet with me or your TA at office hours to go over the missed material.

## Grading

In-class Assignments	5%	
Recitation	20%	(12% from quizzes, 8% from attendance)
Exam 1	25%	
Exam 2	25%	
Exam 3	25%	

### In-class Assignments

In order to provide a break in the middle of a very long day, and to give practice working with the new concepts, I will assign in-class assignments (1 or 2 per week). You will be able to use your lecture notes, your classmates, etc. to help you work out the problems. Everyone will turn in their own assignment for a grade.

### Recitation

Recitations give an opportunity to work through the material, ask questions, and get practice on the types of problems you will solve on the exams. On most days, your TAs will review recent material and work through practice problems. Once a week (on Wednesdays), the TAs will give quizzes in recitation to help you gauge where you stand with the material.

### Exams

There will be 3 exams in total. Exams will not be cumulative, but the material builds upon itself, so it is important to have a firm understanding of each concept we encounter along the way. Any material covered in lecture, on in-class assignments, in recitation, or in the practice problems is fair game for the exams. **There will be no makeups for missed exams.**

The first exam will take place on Friday, May 19th, and will cover the chapters on consumer theory (Chs. 1–5). The second exam is scheduled for Friday, May 26th, and will cover the chapters relating to producer theory and competitive markets (Chs. 6–9). The third and final exam will take place on Friday, June 2nd, and will cover the chapters relating to properties of competitive markets, market power, and strategic behavior (Chs. 10, 11, 13, and 14).

All exams will take place in our regular classroom. The format of the exams will be true/false and short answer questions. Please bring a calculator (**no graphing or cell phone calculators**) to every exam.

### Grading Scale (final percentages are rounded up to the nearest number)

Final %	Grade	Final %	Grade	Final %	Grade
93–100	A	80–82	B-	67–70	D+
90–92	A-	77–79	C+	60–66	D
87–89	B+	73–77	C	0–59	F
83–86	B	70–72	C-		

## Cheating Policy

**If you cheat in my class, you are entering a world of pain.** I automatically refer all suspected instances of cheating to the Honor Code Council, and if caught you will receive a zero in the course. In summary, do not cheat in this class.

## Important Dates

<i>Drop deadline</i>	Tuesday, May 16th
<i>Midterm 1</i>	Friday, May 19th
<i>Midterm 2</i>	Friday, May 26th
<i>Midterm 3</i>	Friday, June 2nd

## Schedule

Topic	Date	Textbook Chapter
Economic modeling, calculus review	Week 1	Ch. 1 and 2
Preferences and utility		Ch. 3
Consumer choice		Ch. 4
Theory of demand		Ch. 5
Inputs and production functions	Week 2	Ch. 6
Costs and cost minimization		Ch. 7
Cost functions and cost curves		Ch. 8
Perfectly competitive markets		Ch. 9
Properties of perfectly competitive markets	Week 3	Ch. 10
Monopoly		Ch. 11
Oligopoly		Ch. 13
Game theory		Ch. 14

**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>.

**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. If you have a conflict, please contact me at the beginning of the term so that we can make proper arrangements.

**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.

**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](mailto: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).