

**UNIVERSITY OF COLORADO**  
**Department of Economics**

**Economics 3070-100**

**Intermediate Microeconomic Theory**

**Summer 2008**

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Lecture: MTWRF 12:45 pm - 2:20 pm, Economics 117

Office Hours: TF 2:30 pm - 4:00 pm, Economics 414

Course Website: <https://webfiles.colorado.edu/kerrc/>

Office hours and class time are the best times to ask questions or deal with issues. Please read this syllabus and talk to me in class or in office hours with any questions. Use emails as a last resort. Although emails are acceptable, points will be taken from your final score for emailed questions that could be answered by reading the syllabus.

**Course Description**

This course introduces the theoretical framework for analyzing the economic behavior of individual decision-makers, such as consumers, workers, firms, and managers. The techniques presented in this course are used by almost every economist and can be applied to many applied fields including international economics, environmental economics, labor economics, and industrial organization.

The course is divided into four sections. We begin with a basic review of supply and demand. We then proceed to Section 2, which covers consumer behavior and market demand. In this section, we build a model of consumer choice and use this model to derive individual demand and market demand. In Section 3, we turn our attention to the other side of the market and analyze the behavior of firms and market supply. We build a model to show how each firm decides what technology it should use to make its product and what quantity of this product to bring to market. This model is then used to derive the firm's supply curve and the market supply curve. Section 4 brings the two sides of the market together to show how price and output are determined by the market. Different market structures are examined including perfect competition and monopoly.

**Prerequisites**

The prerequisites for this course are

Economics Prerequisites: ECON 1000 or 2010

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

The models covered in this course require calculus. It will be assumed that every student has a working knowledge of calculus, and there will be no formal review of calculus techniques. As such, the mathematics prerequisites will be strictly enforced.

### **Course Structure**

The course will consist of lectures, readings, assignments, and exams. The lectures will follow the readings in terms of topics covered. However, there may be some material covered in lecture that will not be covered by the readings, and there will most certainly be some material in the readings not covered in lecture.

Assignments will take the form of problem sets. I will post these online as soon as they are ready. There will be 2 assignments a week to be handed in. Solutions will be posted on the course website shortly thereafter. Groups are encouraged for homework assignments. If you work in a group hand in only a single set of answers with everyone's name written on the front.

There will be one midterm exam on **June 19** and a final exam in December.

### **Textbooks**

The required textbook is *Microeconomics*, 3<sup>rd</sup> edition by David Besanko and Ronald R. Braeutigam. The 2<sup>nd</sup> edition should suffice if you wish to save money as the lecture notes were taken from this edition. There is a study guide available to accompany the textbook. You may wish to purchase the study guide if you would like extra practice solving problems, but doing so is not required.

### **Grading**

The various components of the course will be weighted as follows to determine your final grade:

Assignments	20%
Midterm Exam	30%
Final Exam	50%

Each assignment will be graded on a scale from 0 to 3: 0 points for not handing it in, 1 point for poor performance or not attempting **ANY SINGLE PROBLEM**, 2 points for average performance, and 3 points for outstanding or perfect performance. The lowest assignment score will be dropped before determining course grades at the end of the semester.

A detailed description of the grading system will be described in class.

### **Missed Assignments & Exams**

Late assignments will not be accepted since solutions are posted online shortly after the assignment is due. You may, however, miss two assignments without penalty since your lowest two assignment scores are dropped.

You may not miss an exam. No makeup exams will be given. You will be given a zero regardless of the situation.

## Tentative Course Schedule

<b>Week Starting</b>	<b>Topic</b>	<b>Readings</b>	<b>Assignments</b>
June 2	Analyzing Economic Problems, Demand and Supply Analysis, Consumer Preferences and the Concept of Utility	Ch 1, 2, 3 Ch 4 (4.1,4.2, coupon application,	HW 1 and 2
June 9	Consumer Choice, Theory of Demand	4.4), 5 (5.1-5.4)	HW 3 and 4
<b>June 16</b>	<b>Midterm</b>	<b>Ch 1-5</b>	<b>June 16</b>
June 16	Inputs and Production Functions, Costs and Cost Minimization	Ch 6 (6.1-6.6), 7	HW 5 and 6
June 23	Cost Curves, Perfectly Competitive Markets	Ch 8 (8.1-8.2), 10	HW 7 and 8
Jun 30	Monopoly	Ch 11 (11.1-11.2, 11.5)	HW 9 (not turned in)
<b>July 3</b>	<b>Final</b>	<b>Ch 1-9,11</b>	

## University Policies

### Students with Disabilities

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services **by June 5<sup>th</sup>** so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. University policies regarding disabilities are available at [www.colorado.edu/disabilityservices](http://www.colorado.edu/disabilityservices). Disability Services can be contacted by telephone at (303) 492 8671 or in person at Willard 322.

### Religious Observances

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 due to a religious obligation, please see me **at least one full week in advance** so that alternate arrangements can be made. Policies regarding religious practice are available at [www.colorado.edu/policies/fac\\_relig.html](http://www.colorado.edu/policies/fac_relig.html).

### Classroom Behavior

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 have 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. Policies regarding classroom behavior are available at <http://www.colorado.edu/policies/classbehavior.html> and at [http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student\\_code](http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code).

### **Discrimination and Harassment**

The University of Colorado Policy on Sexual Harassment and the University of Colorado Policy on Amorous Relationships applies to all students, staff, and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status 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 regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.

### **Academic Misconduct**

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 [www.colorado.edu/policies/honor.html](http://www.colorado.edu/policies/honor.html) and at [www.colorado.edu/academics/honorcode](http://www.colorado.edu/academics/honorcode).