Intermediate Microeconomics, Spring 2012

Economics 310

Lecturer: Dr. Niklas Hunter

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Office hours: T 12:00-1:15pm & 3:00 – 4:15pm, R 12-1:15pm

Class time: Class location:

T/R 1:30-2:45pm Bell Tower 2598

In-class exam 1: Thursday, 23 Feb. (in class)

In-class exam 2: Thursday, 12 April (in class)

Final exam: Tuesday, 15 May, 1:00 – 3:00 pm

Course website: <http://blackboard.csuci.edu>

Required text: Intermediate Microeconomics and Its Application by Nicholson & Snyder (11th edition, South-Western, 2008)

Grading system

Your grade for the course is based on homework and exams in the following way:

|  |  |
| --- | --- |
| Task | Percent of grade |
| Homework assignments | 15 |
| Exam 1 | 20 |
| Exam 2 | 20 |
| Group Presentation | 5 |
| Final exam | 40 |

Grades for total points from the homework and exams will be assigned according to the following distribution:

90%-100%: A+, A, A-

80%-89%: B+, B, B-

70%-79%: C+, C, C-

60%-69%: D+, D, D-

0%-59%: F

I may also adjust the scores to account for the difficulty of the exams. For example, if few people get a final score above 90% because of difficult exams, then I will give out more As to account for difficultly of the exams. In this case, I typically assign a median (midpoint) grade of a B-/C+.

Exams

There will be no make-up exams, so if you can not attend class on the day of the in-class exams or you can not attend the final exam, please do not enroll in this course for a grade. You are welcome to take the course for a pass-fail grade.

Exams will include multiple choice and “short-answer” questions focused on the lecture notes, textbook and homework. The final exam questions will be concentrated heavily on material covered after the second in-class exam, but will also include some earlier material.

Homework assignments

There are seven homework assignments each equally weighted. Homework assignments will vary between i)multiple choice, ii) quantitative/short answer and iii)essay questions. These are designed to keep you from falling behind, and prepare you for the exams (as opposed to being “busy work”). Late homework will not be accepted. Some of the homework assignments will be turned in electronically via blackboard. However, several homework assignments must be handed in during the beginning of class on the date it is due. You may submit a homework assignment early, but never late. I will drop your lowest HW score. In other words, I will only count your best six homework scores.

Group Presentations

Students will prepare and present review session material for one of the three exams (Exam 1, Exam 2 or the Final exam (each student/group presents only once during the semester). The presentations will occur in lecture on Tuesday Feb. 21 (the lecture before Exam 1), in lecture on Tuesday April 10 (the lecture before Exam 2) and again on Thursday May 10 (the last lecture of the semester). Each student can work in a group of up to 4 students. The presentation is mandatory, and both a group and a chapter must be selected by the end of the third week. Please note that these presentations are to help you, your group members, and the rest of the class prepare for an exam. The presentations should be approximately 10-15 minutes long, include a visual instrument (i.e. Powerpoints, prepared questions and solutions, jeopardy style game, etc.), and emphasize the material we have covered in lecture. You are given the freedom to choose how to present the material, and I highly suggest preparing questions that are similar (but not identical) to homework questions.

Class participation

Regular class participation can help your grade if you are on the borderline between two grades. For example, if you are at the cutoff between a B+/A-, regular class participation would boost your grade to an A-.

Course overview

This course will study several topics in microeconomics, alternatively called price theory. In particular, we will examine the extent to which prices measure the value society places on scarce resources. The course begins naturally with consumer theory; the main objective in this section is to compose a formal model of how consumers make choices when faced with a budget constraint. The next section of the course examines the theory of the firm. Much like a consumer, a producer makes choices in order to achieve its own set of objectives under a different set of constraints it faces during the decision making process. The course examines the gains to trade for both consumers and producers in various types of markets. Finally, in the last section, the course examines the effects on market participants from the existence of monopolies, cartels, and poorly managed public goods.

Our class time will include lecture and in-class discussion. Lecture material will be based on the material from the textbook, so it is good to read the text before or shortly after class.

Student Learning Objectives:

* Explain the economic behavior of households and individual firms
* Describe and apply the scientific method to economic behavior
* Apply the principles of supply and demand to determine prices and identify the factors that affect supply and demand
* Describe and distinguish between various forms of market structures
* Evaluate the costs and benefits of alternative forms of public policy

Course Prerequisites: ECON 110, ECON 111 and MATH 140 (or 150). Economics is a social science. However, we use many quantitative methods in order to understand the choices people make. For ECON 310, a previous course in multivariate calculus is crucial. Understanding derivatives as rates of change in the physical sense, and as slopes in the graphical sense, is necessary in order to use many of the economic tools we develop. Although you do not need to review the most advanced chapters of your previous calculus textbook (i.e. integrals, differential equations, etc), at the very minimum, you must be able to understand and manipulate mathematical functions and take derivatives of functions. Specifically, you must be able to take the partial derivative of a bivariate function. I will spend part of the first lecture to help you review some of the more common functions and formulas we use throughout the course.

Cheating

Don't cheat. If I catch you looking at someone else's exam or at notes during an exam, you will receive an F for the exam. Any case of cheating will be referred to Judicial Affairs. Working with fellow students on homework assignments, however, is not cheating and is encouraged.

# Disability Accommodations

# *Cal State Channel Islands is committed to equal educational opportunities for qualified students with disabilities in compliance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) of 1990. The mission of Disability Accommodation Services is to assist students with disabilities to realize their academic and personal potential. Students with physical, learning, or other disabilities are encouraged to contact the Disability Accommodation Services office at (805) 437-8510 for personal assistance and accommodations.*

Course Schedule: Subject to changes as necessary through the semester. For example, I may push a HW due date back, but never forward. The exam dates and review session dates will not change

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| --- | --- | --- | --- |
| **Date** | **Lecture topic** | **Textbook reading** | **HW Due** |
| 24 Jan. | Introduction, Calculus | Chapter 1 plus Appendix |  |
| 26 Jan. | Economic Models | Chapter 1 plus Appendix |  |
| 31 Jan. | Utility and Choice | Chapter 2 |  |
| 2 Feb. | Utility and Choice | Chapter 2 |  |
| 7 Feb. | Utility and Choice | Chapter 2 | HW1 |
| 9 Feb. | Utility and Choice | Chapter 2 |  |
| 14 Feb. | Demand Curves | Chapter 3 |  |
| 16 Feb. | Demand Curves | Chapter 3 | HW2 |
| 21 Feb. | Review Session Chapter 1-3 Group Presentations | | |
| **23 Feb.** | **Exam 1** | **Chapters 1-3** |  |
| 28 Feb | Production | Chapter 6 |  |
| 1 March | Production | Chapter 6 |  |
| 6 March. | Production | Chapter 6 |  |
| 8 March | Costs | Chapter 7 | HW3 |
| 13 March | Costs | Chapter 7 |  |
| 15 March | Costs | Chapter 7 | HW4 |
| 20 March. | No Class | Spring Break |  |
| 22 March | No Class Spring Break | | |
| 27 March | Profit Maximization: Perfect Competition | Chapter 8\_9 | Group Presentations |
| 29 March | Profit Maximization: Perfect Competition | Chapter 8\_9 |  |
| 3 April | Monopoly | Chapter 11 |  |
| 5 April | Monopoly | Chapter 11 | HW5 |
| 10 April | Review Session | Chapters 6,7, 8\_9, &11 |  |
| **12 April** | **Exam 2** | Chapters 6,7, 8\_9, &11 |  |
| 17 April | Imperfect Competition | Chapter 12 |  |
| 19 April | Imperfect Competition | Chapter 12 |  |
| 24 April | Imperfect Competition | Chapter 12 |  |
| 26 April | Game Theory | See Lecture Slides | HW6 |
| 1 May | Game Theory | See Lecture Slides |  |
| 3 May | Externalities & Public Goods | Chapter 16 |  |
| 8 May | Externalities & Public Goods | Chapter 16 | HW7 |
| 10 May | Review Session | Chapter 12, Game theory, & Chapter 16 | Group Presentations |
| **15 May** | **Final Exam 1:00 – 3:00pm** | | |