

ECON 310
Intermediate Microeconomics

Course Website

This course will utilize a blackboard page through csuci.edu

Contact Information

Course Hours: Wednesday: 9am - 11:50pm, Smith Decision Center 1908

Office Hours: Wednesday: 12pm-2pm, Sage Hall 2147

Email: bryan.tomlin@csuci.edu

Please allow 48 hours for responses to emails. If I don't get back to you, it's probably because your message got caught in a spam filter, so if I'm slow to respond to an email, please talk to me in person.

Course Description

The material presented in this course is the primary basis for your understanding of microeconomics. We will discuss theoretical treatments of how individuals make decisions, how economists interpret these decisions, and how economists define rational behavior. We will also discuss theoretical treatments of how firms under various competitive environments maximize profits given their production technologies. A thorough understanding of this material will leave you well prepared for future microeconomic courses such as labor economics and industrial organization. Passing this course will REQUIRE an understanding of algebra and basic calculus, but that's okay, because this material is sufficiently covered in the prerequisite math courses (see below).

Program Learning Goals: These are the skills we try to help you build in all MVS courses

1. Critical Thinking
2. Oral Communication
3. Written Communication
4. Collaboration
5. Conduct (Ethics)
6. Competency in Discipline

Course Learning Outcomes: Upon completion of this course, you will be able to

1. Explain the economic behavior of firms and households (1, 3, 6)
2. Describe and apply the scientific method to economic behavior (1, 3, 6)
3. Apply the principles of supply and demand to determine prices and identify the factors that affect supply and demand (1, 3, 6)
4. Describe and distinguish between various forms of individual preferences and firm technologies (1, 3, 6)
5. Evaluate the manner(s) in which public policy may affect behavior (1, 3, 6)

Prerequisites

ECON 110, ECON 111, and MATH 140 or MATH 150

Texts

Varian, Hal R.; "Intermediate Microeconomics, A modern Approach," **Any Edition**, W. W. Norton & Company

Homework

A (very) large number of practice problems will be provided through the course website. Completion of these practice problems is not required; however, you are strongly encouraged to answer all of these questions, both on your own, and again in groups (teaching your classmates how to approach and answer a problem is quite possibly the best way to learn this material). These questions will reflect the type of material which will be presented to you on the quizzes, midterm, and final, and as such, your grade is likely to benefit greatly from your completion of these practice problems.

Grading and Examinations

Quizzes (40% total) – 4 total, 10% each. Take home.

Quiz 1 – Assigned: Wednesday, February 10

Due: Wednesday, February 17

Quiz 2 – Assigned: Wednesday, March 2

Due: Wednesday, March 9

Quiz 3 – Assigned: Wednesday, April 6

Due: Wednesday, April 13

Quiz 4 – Assigned: Wednesday, April 27

Due: Wednesday, May 4

Midterm (30%) – In class: Wednesday, March 16

Final Exam (30%) – Wednesday, May 18 (the Wednesday during Finals week): **8-10am**

[Note: the final exam starts at 8am]

Re-grading policy

If I made a mistake summing the points on your exam, please bring it to my attention immediately. Most answers are objective and therefore leave little room for re-grading with the exception of the aforementioned adding errors on my part. Extra credit options will not be made available to students on a case-by-case basis as this would result in differential grading policies across students.

Missed Exam/Quiz Policy

Make-up exams will be held for students who have legitimate and appropriate reasons for having missed an examination. If you have any questions about when an exam will be held, don't be afraid to ask me, I won't think less of you. All exam dates are listed on page 1 of this syllabus.

Academic Honesty

Academic honesty is of the utmost importance, and any academic misconduct will be subject to the strictest enforcement possible.

See <http://www.csuci.edu/studentlife/judicial-affairs/academic-dishonesty.htm> for more information.

Your Name

I am happy to address you by your preferred name during class, however, when you hand in assignments, please use the name that appears on your academic records. Please write your first and last name on any document you hand-in.

Course Schedule

The below schedule is simply an approximation for the timing with which the material in this course will be presented. Note: “Lesson” as used below, is *not* equivalent to “class meeting” or “week.” For example, “Lesson 3” is not necessarily going to take place during the third meeting of this class or during the third week of class. I may decide to re-order this material depending upon the interests of the class.

Introduction

Lesson 0 – Course introduction. Mathematical review – representing functions of parameters, principals of graphing, algebra, partial derivatives.

Part I – Individual Decision Making

Lesson 1 – Introduction to economic decision making. Describing a consumer’s budget constraint.

Lesson 2 – Describing a consumer’s preferences.

Lesson 3 – Defining “rational.”

Lesson 4 – A discussion of happiness and utility. Utility maximization subject to constraints.

Lesson 5 – Deriving demand. Comparative statics of demand. The effect of income and price changes.

Lesson 6 – Comparative statics of demand, continued. Compensated price changes and compensated demand functions. The Slutsky equation. Demand relationships amongst goods.

Part II – Applications of Individual Decision Making

Lesson 7 – Deciding how much to work (Labor vs. Leisure). How do we model altruistic behavior? Why might CPI-based benefit increases overcompensate recipients?

Lesson 8 – Choice under uncertainty.

Part III – Firm Level Decision Making

Lesson 9 – Describing a firm’s production function. Returns to scale.

Lesson 10 – Describing a firm’s costs.

Lesson 11 – The profit function and cost minimization subject to the constraint of the production function.

Lesson 12 – Short run vs. Long run profit maximization. Perfect competition. Monopoly. Comparative statics of production.

Part IV – Applications of this material to specialized fields of microeconomics

Lesson 13 – An introduction to game theory and applications of this material to industrial organization vis-à-vis duopoly models and Hotelling’s location model.