

Yiqing Xie

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ECON 3070-007

Fall 2009

Intermediate Microeconomics 3070-007, TR 12:30 – 1:45pm, HLMS 241
Yiqing Xie

Administrative Details

Webpage: webfiles.colorado.edu/xiey/www

Text: _____ and _____, “Microeconomics”, _____ Edition, _____.

Office: Economics 414

Hours: Tue and Thurs 10:00 – 11:00am or by appointment

Phone: (303) 492-7709 but the ***strongly preferred*** method of contact is:

e-mail: **Yiqing.Xie@colorado.edu**

Content:

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 several fields including international economics, environmental economics, labor economics, and industrial organization.

The course is divided into five sections. We begin with a basic review of supply and demand. In Section 2, we examine consumer behavior and market demand by constructing a model of consumer choice and using the model to derive individual 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 construct a model to demonstrate how each firm decides what combination of inputs it should use to produce its output and what quantity of output to produce and bring to market. The model is then used to derive the firm's supply curve and the market supply curve. In Section 4, we bring the two sides of the market together to show how price and output are determined by the market. A variety of market structures are examined including perfect competition, monopoly, and (if time permits) oligopoly.

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 is 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.

Grading:

I have an unusual and complicated (but extremely fair!) grading system. There will be two midterms and a comprehensive final. On each exam enough points are added to everyone's bring the median (or mean which is lower) score up to 75. NOTE: it is that are added not questions. So, for example, if the median for a particular exam is 68, 7 points will be added to each person's exam. Hence, doing well on a difficult exam, say getting a 96 when the median was 68 enables you to get over 100 points, in this example receiving a 103. Should the median for an exam be above 75, I do subtract (such an outcome indicates either that you are part of an unusually smart or studious class or--more likely?--that I made the test too easy, hence it is my problem). After these adjustment points are added, I will calculate your course test grades as the largest number arising from the following alternative calculated scores:

"Score 1": $.25(\text{1st Mid Grade}) + .25(\text{2nd Mid Grade}) + .30(\text{Final Grade})$
 $+ .20(\text{Problem Sets})$

"Score 2": $.30(\text{2nd Mid Grade}) + .50(\text{Final Grade}) + .20(\text{Problem Sets})$

"Score 3": $.30(\text{1st Mid Grade}) + .50(\text{Final Grade}) + .20(\text{Problem Sets})$

Hence if you "mess up" (or miss) either of the midterm exams (but not both), that test will automatically be dropped, and the comprehensive final is weighted more heavily in this case. **There will be no early exams or make-up exams**, since they are difficult to make comparable and this system does not penalize you for missing one exam in any event.

The final exam date is: Dec 16 1:30 – 4:00 pm (Wednesday). The exams are in our usual classroom. This information is repeated at the end of the syllabus...there are **no make-ups**...Do not make plans (airline tickets, etc.) that involve leaving early.

A tentative guide to topics we will cover:

Date	Content	Note
25-Aug	Analyzing Economic Problems	Attendance 1
27-Aug	Supply and Demand Analysis; Math test	Attendance 2
1-Sep	Supply and Demand Analysis; Math test Review	Attendance 3
3-Sep	Preferences and Utilities	
8-Sep	Preferences and Utilities	
10-Sep	Consumer Choice	PS1 due
15-Sep	Consumer Choice	
17-Sep	The Theory of Demand	
22-Sep	The Theory of Demand	
24-Sep	The Theory of Demand till 5.5	PS2 due
29-Sep	Inputs and Production Functions	
1-Oct	Midterm 1	
6-Oct	Inputs and Production Functions	
8-Oct	Inputs and Production Functions	
13-Oct	Costs and Cost Minimization	PS3 due
15-Oct	Costs and Cost Minimization	
20-Oct	Costs and Cost Minimization	
22-Oct	Cost Curves	
27-Oct	Cost Curves	PS4 due
29-Oct	Perfectly Competitive Markets	
3-Nov	Perfectly Competitive Markets	
5-Nov	Perfectly Competitive Markets	
10-Nov	Perfectly Competitive Markets	PS5 due
12-Nov	Midterm 2	
17-Nov	General Equilibrium Theory (short)	
19-Nov	Monopoly	
24-Nov	Fall Break	
26-Nov	Happy Thanks Giving!	
1-Dec	Monopoly 11.1, 2, 5, 6	
3-Dec	Market Structure and Competition	
8-Dec	Game theory and strategic behavior	PS6 due
10-Dec	Review -- to be determined	
16-Dec	Final Exam	1:30 --4:00pm

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 www.colorado.edu/policies/honor.html and at www.colorado.edu/academics/honorcode.