

# ECO 303 - Intermediate Microeconomics Theory

Prof. Shi Qi

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Term: Fall 2016

Office Hours: M 10:00 a - 11:30 a; T 11:00 a - noon; W 1:00 p -3:00 p

Sec 07 Meeting Times: MWF 8:00 a-8:50 a

Sec 07 Location: Tyler 123

Sec 08 Meeting Times: MWF 9:00 a-9:50 a

Sec 08 Location: Washington 301

## 1 Course Description

This course develops the tools necessary to analyze the decisions made by consumers and firms. Consumer theory topics will include preferences, utility, optimal consumption under a budget constraint and aggregate demand. On the producer side, we will cover profit maximization, cost minimization, perfect competition, monopolies and oligopolies. Concepts of equilibrium, externalities, efficiency and social welfare will also be covered.

## 2 Textbooks

The required text for the course will be *Intermediate Microeconomics* by Hal Varian. The current version of the book is the ninth edition. An earlier version is acceptable, but please be aware that Chapter numbers differ across editions.

## 3 Prerequisites

Students should have completed Econ 101 or 151. I will assume a basic vocabulary of economic terms and concepts. To succeed in this class, basic algebra skills are assumed. In addition, skill with graphs is extremely helpful. Using calculus will be needed to solve certain problems in the class. In those cases, necessary assistance will be provided.

## 4 Class Website and E-mail

All assignments, handouts, and additional materials will be posted on the Blackboard. Class notes/slides will be posted AFTER the class time. They are a good guideline for studying and reviewing for exams, but you will need to take notes in class because some materials not included on the slides will be covered in class.

E-mails will generally be answered within 48 hours. Emailing me the evening before homeworks are due or an exam is scheduled will not guarantee you a response before the event. When emailing, please use your official WM email, emails from other accounts will be disregarded! Also, please clearly state your name and the section your are in. E-mails without name or section will generally be ignored.

## 5 Assignments

There will be 6 assignments. You are allowed to drop the lowest homework score (or submit only 5 homeworks without any penalty). Assignments must be typed, except for the graphs and equations. Hand-written Homework will NOT be accepted and will be given zero points for that assignment. If you choose to do graphs and equations by hand, they must be inserted properly within the corresponding text of the HW. Graphs and equations on separate pages will NOT be accepted.

Homeworks are due at the beginning of the class on the due date and must be submitted to the professor. Be certain to clearly note your name and this course number. If you cannot attend class on the due date, make plans with me to turn it in before class. Do not submit homework to my office or at the Economics Main Office. Late homework assignments, in general, will not be accepted, because we will discuss the content of the homework in the classes after the due date.

You are permitted and even encouraged to work with other students on assignments. However, each student must write up his or her own version of a solution, and everyone who collaborated must be acknowledged at the end of the homework. When you solve a problem jointly, I expect you to then be able to look away from the group notes and reproduce the solution on your own. If not, you have learned nothing from the exercise, and are giving yourself a false sense of security about your understanding of the material. Moreover, **identical assignments will receive a score of zero.**

Assignments will usually be returned one week after they are submitted. Exams might take longer. I will not post solutions to homeworks, however I will reserve time in class to discuss some of them.

## 6 On-line Tasks

There will be 2-3 on-line assignments. They are testing your ability gather and analyze data. I will post data sources and short instructions for those assignments. I will reserve a couple of class periods for you to complete these tasks. These instructions should be very straightforward in helping you access and navigate the necessary on-line data websites, so I will *not* go over them in class. However, if you still need help with the data, please do not hesitate to contact me. You must complete these tasks individually.

## 7 Exams

There will be THREE exams which will be administered at the beginning of class on the day that they are scheduled, and will last for the entire class time.

All exams are closed book and closed notes. Questions will be similar in format to those on homework assignments. No cooperation is allowed during the tests, and any attempts of

dishonesty will be punished with as much severity as the University permits.

There will be no make-up exams for any midterm, except for cases with written documentation, which must be provided prior to the exam.

Final Exam is cumulative but optional (see explanation in the Grading Section below). Please refer to the University final examination schedule for the date and time of the final exam. Please note that the final exam will be 90 minutes long.

## 8 Grading

Your final class grade is based on your performance in assignments, on-line tasks and exams.

A total of 100 points are possible for the course. They are distributed as follows: Average score on 5 highest scored assignments (each 100 points) 20%; On-line Tasks 5% First Exam 25%; Second Exam 25%; and Third Exam 25% . If you are satisfied with your final score after the third midterm, you DO NOT need to take the final exam.

Alternatively, you may choose to take the cumulative final exam during the final week. If you choose to take the final, all of your previous exam grades will be **ERASED**, and your final grade will replace all your exam grades in the calculation of your final class score. This means, once you have chosen to take the final exam, no matter how you performed on the final exam, your final class score would ONLY include your final exam grade and NOT your midterm grades. In other words, you would risk losing your midterm grades by taking the Final Exam.

If you disagree with the grading of an assignment or exam, you may resubmit it for my review. I will expect you to have a written argument for why you should be awarded more points. Also, please submit these disputes within one week of having been returned the assignment or test.

### Grading Scale:

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$\geq 93\%$	A
90% - 92.9%	A-
87% - 89.9%	B+
83% - 86.9%	B
80% - 82.9%	B-
77% - 79.9%	C+
73% - 76.9%	C
70% - 72.9%	C-
67% - 69.9%	D+
60% - 66.9%	D
0% - 59.9%	F

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I reserve the right to lower these percentage cutoffs (i.e. I might make it easier to get a

grade but I will not make it harder).

For example, if your grades are as follows: The lowest homework grade HW1 is dropped,

HW1	HW2	HW3	HW4	HW5	HW6	Task	Exam1	Exam2	Exam3
70	86	92	94	96	92	92	71	85	92

so your Homework average is  $(86 + 92 + 94 + 96 + 92)/4 = 92$ . This means your final score for the class is  $92 * 20\% + 92 * 5\% + (71 + 85 + 92) * 25\% = 85$ , which would earn you a “B” grade in class.

If you choose to take the Final Exam, and if your Final Exam score is 92, your final class grade would be  $92 * 20\% + 92 * 5\% + (92 + 92 + 92) * 25\% = 92$  which would earn you a  $A^-$  grade in class. However, if your Final Exam score is 71, your final class grade would be  $92 * 20\% + 92 * 5\% + (71 + 71 + 71) * 25\% = 76.25$  which would earn you a  $C$  grade in class. In other words, it is possible to be ended up with a lower grade after the Final exam.

## 9 Academic Honor Policy:

You are expected to follow the William & Mary Honor Code. If I discover any academic misconduct, I will initiate an Honor Council proceeding and recommend failure of the course. If you have any questions about how the Honor Code relates to this course, feel free to talk to me or refer to the Student Handbook and the William & Mary Honor Council’s website.