

William & Mary
Fall 2018

SYLLABUS

ECON 303 – 05 & 06. Intermediate Microeconomics

05 - T/R. 2:00 - 3:20PM. Tyler 133

06 - T/R. 3:30 - 4:50PM. Tyler 133

Instructor: Thomas P. LaSalvia, PhD
Office Location: Tyler 230
Office Hours: M. 2 - 4, W. 3 – 5. Appointments. Open door policy
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*Will reply within 24 hours (M – F), most of the time it will be within an hour or two, unless the email is received in the evening or on the weekend.

Course Description:

Intermediate Microeconomics is the study of firm and consumer behavior in various market structures. Topics include: production theory, consumption theory, public policy analysis, and strategic firm behavior. Fundamental microeconomics, basic algebra and calculus, and introductory game theory will be called upon to develop an understanding of the aforementioned topics.

Course Objectives:

Observe, Model, Comprehend, Forecast

Economists critically observe their surroundings and model what they see using a few fundamental concepts. These simplifications of reality are then used for gaining a deeper comprehension of those surroundings, as well as forecasting the outcomes of a “shock” (a change to the status quo, government intervention, etc.).

Students will gain a working knowledge of:

- Economic modeling as it pertains to consumer and producer theory
 - Conceptual, graphical, mathematical
- Adjusting assumptions to study base-model deviations and public policy
- Various market structures (monopolistic competition, oligopolies etc.)
- Strategic firm interaction

Prerequisite: ECON 101 (Having a principles text readily available often helps.)

Important Dates: Add/Drop - 9/7. Withdraw – 10/26

Course Structure and Assessment: We all learn differently. Due to this, a combination of lectures, readings, a short analytical project, short answer assignments, and tests will be used. Everyone will have a chance to learn.

The below descriptions, dates and totals are **approximates** and subject to minor adjustments.

<u>Assignment Type & Amount</u>	<u>Points (each)</u>
Quizzes (2)	15
Within Term Exams (2)	30
Comprehensive Final Exam (1)	60
Model Building Assignment (1)	30
Total	180

Quizzes: Prior to Exam 1 and between exams 1 and 2. (I promise to give prior notice)

Within Term Exams: Week 5 or 6, Week 11 or 12

Final Exam: Section 05 – 12/18/18, 2pm. Section 06 – 12/10/18, 2pm

Model Building Assignment: You will build a model to explain/predict the economic outcomes of a particular industry or public policy. To accomplish this, utilize the tools of cost minimization and utility maximization. (More details will follow.)

<u>Grading Scale:</u>	A = $\geq 94\%$	A- = $90\% - < 94\%$
	B+ = $87\% - < 90\%$	B = $83\% - < 87\%$
	B- = $80\% - < 83\%$	C+ = $77\% - < 80\%$
	C = $73\% - < 77\%$	C- = $70\% - < 73\%$
	D+ = $67\% - < 70\%$	D = $63\% - < 67\%$
	D- = $60\% - < 63\%$	F = $< 60\%$

* grades are not rounded to the nearest percent

Grading: 0 – 3 scale. 0 = nothing, 1 = economic thought, 2 = economic thought that is “in the right direction”, 3 = complete and correct economic thought (based on in-class discussions)

Text: Varian, H. *Intermediate Microeconomics: A Modern Approach*, 9th ed. W. W. Norton & Company. 2014. ***** (Recommended, any intermediate level micro text will do, you really just need a reference to call upon when needed.)

Readings (in this approximate order)

Week 1 – 6: Pages. 1 – 11 / 20 – 31 / 33 – 40 / 48 – 51 / 54 – 67 / 70 – 72 / 73 – 89 / 118 – 122 / 136 – 153. (**Consumer Theory – Utility Maximization**)

Week 7 – 12: Pages. 350 – 359 / 382 – 385 / 392 – 395 / 396 – 409 / 413 – 428 / 435 – 445. (**Producer Theory – Cost minimization, Profit Maximization**)

Week 13 - 15: Pages. 457 – 468 / 494 – 498 / 515 – 522 / 525 – 533.
(**Producer Theory – Industrial Organization, Game Theory**)

Supplemental Material:

Read/watch the news. Any article or video you see that interests you and relates to markets, firms, or consumers please share with the class.

Frank, R. *The Economic Naturalist*. Basic Books, 2007

Mundell, R. *Man and Economics*, McGraw-Hill, 1968

Gibbons, R. *Game Theory for Applied Economists*, Princeton U. Press, 1997

<http://economicshelp.org>

EconLit & The Economist

<https://libraries.wm.edu/databases/by-subject/411> (W&M library)

Writing Resources Center (WRC) - Communications Related

The Writing Resources Center, located on the first floor of Swem Library, is a free service provided to W&M students. Trained consultants offer individual assistance with writing, presentation, and other communication assignments across disciplines and at any stage, from generating ideas to polishing a final product. To make an appointment, visit the WRC webpage www.wm.edu/wrc.

Student Accessibility Services:

"William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at sas@wm.edu to determine if accommodations are warranted

and to obtain an official letter of accommodation. For more information, please visit www.wm.edu/sas."

Course Policies:

You must be **respectful** to everyone.

Do not text

Do not talk while others are talking.

Do not use the web for non-relevant activities.

Do not be late.

Do not leave early.

Do not miss class.

Do not be a loud consumer of food or drink.

If you need to leave early or need to leave your phone on because of an expected important call, please tell me at the beginning of class.

I genuinely want to help all of you.

Be a kind and thoughtful human being

The William & Mary Pledge

"As a member of the William and Mary community, I pledge on my honor not to lie, cheat, or steal, either in my academic or personal life. I understand that such acts violate the Honor Code and undermine the community of trust, of which we are all stewards."