

## Econ303

## Intermediate Economic Theory

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**The deadline for withdrawing is March 29<sup>th</sup>.**

The text (written by myself and Professor A. Pereira) is only available online at the *Blackboard* site for this course. You do not have to pay a fee for the text.

### ***The final grade will be based on***

Term test 1 written on Jan. 19 from 9am to 9:50am (worth 25 points)

Term test 2 written on March 19 from 9am to 9:50am (worth 25 points)

Term test 3 written on April 16 from 9am to 9:50am (worth 25 points)

The final examination written on May 18, from 9am to 10:40am (worth 25 points)

***The dates and times are provisional and might be changed before January 27.***

**THE TESTS** Each of the four exams will be posted on Blackboard at 9am on the date set aside, and taken off that site when time expires. Each will be *noncumulative*, and hence will only examine you on material that I have discussed in lectures since the previous test. You will submit your answers on paper, and email them to me as a pdf file. (The first lecture will tell you more about that process.)

### **GRADE BRACKETS:**

A minus: 90 – 93

A: > 93

B minus: 80 – 83

B: 83.1 – 86.9

B plus: 87 – 89.9

C minus: 65 – 69.9

C: 70 – 74.9

C plus: 75 – 79.9

D minus: 50 – 54.9

D: 55 – 59.9

D plus: 60 – 64.9

**TIME-ZONE DISPARITY:** I need to know if you will be spending the spring term in a time zone that is behind, or ahead of, the time in Williamsburg by more than two hours. If that applies to you please contact me by email before January 27<sup>th</sup> to let me know what time zone you are in.

**PROBLEM SETS** There are ten problem sets which will be placed, one at a time, in the *Assignments* folder on Blackboard. I will post the solutions for each shortly after I present the economy theory with which the problem set deals. I will not collect and grade your own solutions, but you have ample incentive to work hard on them before I supply my answers: The problem sets help you learn the principles of economics on which you will be tested. Ignoring them is almost a guarantee that you will not earn a decent grade for the course. The problem sets help you learn the economic theory, and the tests examine you on those theories. *Use your lecture notes as a guide to **what** I consider most important, and hence as a guide to the topics on which you will likely to be tested. Use the problem sets as a guide to **how** you will be tested.*

**OFFICE HOURS** My online version of “office hours” is a file called *Questions and Answers* which will be the first item in the *Assignments* folder. When you are struggling with a specific problem set send me an email asking for help. I will send you my answer by email. Those questions and answers will constitute the *Questions and Answers* document. It will not use the names of the students who submit questions.

**THE LECTURES** I will record my lectures and store them on Blackboard. They will accumulate faster than you need to listen to them. I want you to determine the pace at which you consult them. Each lecture be given a title that will bear the topic and the date on which I would giving the lecture if you and I were in the classroom and I were following the Monday-Wednesday-Friday schedule set by the college. That will allow you to determine if you are falling behind in viewing lectures.

### PATH TO THE LECTURES

Go to *Blackboard* and select this course

Select *Tools*, which is the third item on the left under the course name

Select *Panopto content*, where the lectures are stored.

### Course Outline

**Introduction** Water Markets (Chapter 1)

**Households** The Budget Constraint (Chapter 2)

Preferences (Chapters 3)

Derivative of a quadratic (A separate entry in the Textbook folder)

Demand (Chapter 4)

Income and substitution effects (Sect. 5.4 and 5.5 of Chapter 5)

Labor supply (Chapter 6)

*Continued on the next page*

### **Firms**

Isoquants and cost functions (Chapters 9 and 10)

The competitive firm’s supply function (pages 11.3 – 11.17)

Market demand and supply (pages 12.7 – 12.10, and 12.26 – 12.32)

Competitive equilibrium (pages 13.3 – 13.9)

Marketable pollution rights: (Section 15.10 of Chapter 15)

Monopolies and cartels: (pages 14.5 – 14.13)

Bundling and tie-in sales (Section 14.4)