



Economics 3306: Intermediate Microeconomics

Fall 2011

Administrative Information

Professor: Dr. Tisha Emerson

Office: Cashion 367

Office hours: TTh 2:00-3:00pm, W 8:00-11:00am, or by appointment

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Lecture: TTh, 9:30-10:45am, Cashion 307

Course Outline

Principal Aim of the Course. The principal focus of this course is on the behavior of individual agents in the economy -- consumers, households, and businesses. More specifically, we will use the models and tools from neoclassical microeconomic analysis to study consumer and producer behavior as well as the market structures within which they interact. This may sound somewhat familiar as we will basically be studying the same concepts covered in principles of microeconomics (Eco 2306), however we will do so in much greater depth and with significantly more mathematical rigor.

Methodology. Make no mistake, this course is highly quantitative. The mathematical tools that you have learned in your calculus courses will be employed. In particular, differentiation will be of considerable use to us as we study the optimizing behavior of individuals and firms. Yet, as powerful and elegant as our mathematical tools may be, mathematical skills alone are insufficient to perform well in this course. You must also be able to translate results from your analysis into economic terminology – and then also into plain English.

Learning. To fully gain from the class, good learning techniques must be adopted. These are regular attendance, continuous reading, and frequent practice at applying the theory that you have learned. Good preparation includes studying class notes from the previous period prior to attending the next class, working practice problems, and keeping up with the assigned reading. A premium is placed on logical thinking, to use what you have learned to work through a problem that you may not have seen before; rote memorization is not enough. The following policies regarding assignments, attendance, and grading are aimed at promoting good learning, and the most effective use of class time. **These policies are administered without exceptions for individual students. This is to insure that ALL students are treated equally.**

Honor Code. All students are expected to follow the honor code and to conduct themselves with honesty and integrity. A complete statement of the honor code is available online at <http://www.baylor.edu/honorcode/index.php?id=44060>.

Text. Frank's *Microeconomics and Behavior* (8th ed, 2010, McGraw-Hill Irwin Publishing) is required reading for the course. The chapters we will be covering are indicated in this syllabus and will be mentioned in class.

Blackboard. An additional resource available to students is the class Blackboard site, which can be accessed through the World Wide Web at <http://my.baylor.edu>. Through this site students have 24-hour access to a great deal of class information. Items available through the site include, but are not limited to, the course syllabus, problem sets, and answer keys. Also, through e-mail you have greater access to the instructor. E-mailed questions are usually answered within 24 hours as I frequently check my e-mail. Technology is a wonderful thing – make good use of this resource!

Problem Sets. Working problems is really the only way to learn the material in this course. If you ask any economist how they learned economics, they will all tell you it was through working problems – LOTS and LOTS of problems. As a result, the problem sets for this course are essential to your learning. Nine problem sets including problems of the sort that can be expected on midterms and finals will be assigned throughout the semester. The problems for each assignment will be drawn from the end of the chapter questions in the text. Students are required to prepare the assignments, including written answers to problems *in advance* of the class meeting, and must bring the prepared problems to class. Problem sets are collected at the **start** of class. *No late assignments will be accepted.* Grading of each individual problem set will be on a pass/fail basis. You must get at least 60% of the problem set correct to receive a grade of “pass” on any individual problem set. At the end of the semester, your problem set score (out of a total of 50 points possible) will be calculated as the percentage of passing grades you received multiplied by 50. For example, suppose you received a passing grade on 7 of the 9 problem sets (77.78%), then you would receive a 38.9 out of 50 for your problem set score for the semester.

Essays. There will be two “economic naturalist” essays assigned this semester. Through these essays, I hope that you will gain experience using the tools you develop in this course to better understand the world around you. I also hope that in writing these essays that you will gain valuable writing and communication skills that are essential for your future – regardless of your career path or choice of graduate study. Grading of the essays will be as follows. The first essay will be graded pass/fail as it is a “practice” essay. If you complete the assignment as required and on time, then you will receive a 10 out of 10, otherwise you will receive a 0. The second essay will be graded for quality of your economic argument and quality of your writing. Depending on the quality of your second essay, you will receive a grade between 0 and 10. Your final essay score for the semester will be the sum of your scores on the two essays. For example, if you earn a 10 and an 8 on your essays, then your essay score for the semester will be 18 (out of a possible 20).

Exams. There will be two midterm exams and a final this semester each consisting of problems like those in the problem sets and those worked in class. The final exam will be cumulative. Each exam will be given on the dates indicated on the syllabus.

Attendance. Students are expected to attend *all* scheduled classes. Students are expected to be on time for class and stay for the entire period. If your schedule does not allow this, *do not take this class.* Students may not leave early unless permission is granted *before* class starts. No tape recording is allowed for any purpose, because part of good learning includes taking one's own class notes. Furthermore, you should note that the policy of the Hankamer School of Business requires that students attend at least 75% of all class sessions in order to receive credit for a course. This policy (as all Business School and University policies) will be strictly adhered to and thus any student accumulating 8 or more absences will receive a failing grade for the course **regardless** of their performance on problem sets, essays, and exams.

Grading. Grades are based on a final, two midterms, nine problem sets, and two essays. There are a total of 400 points possible throughout the semester distributed as follows: final (130), midterm 1 (100), midterm 2 (100), problem sets (50 points), and essays (20). Your final score for the course is the percentage of the total possible points that you earn. Your letter grade for the course will be based on this percentage and will be assigned using a standard grading scale (e.g. 90-100 A, 80-89 B, etc.). For example, if you earn 340 out of 400, you have earned 85% of the total points, which is a B.

Missed Work. Students are required to submit all problem sets and take all exams. No late problem sets will be accepted. If you should miss a midterm, it will be treated in one of two ways. You may provide written, credible evidence from a professional explaining why you did not take the midterm. An example is a doctor's letter indicating that you saw the doctor **on the day of the midterm** or a police report (**with the date of the midterm on it**) explaining the circumstances surrounding your absence. You must also provide a phone number for the person who wrote the explanation for me to contact (and I will call). If you miss a midterm with credible evidence explaining your absence, you will receive the average of the other midterm and the final exam (adjusted to a 100 point scale) in place of the midterm you missed. Absent written and telephone explanations, you will receive a zero for the midterm. If you were to miss more than one midterm with legitimate excuses, an incomplete will be issued to you for the course. No matter what the reason, there will be no excuse accepted for missing the final exam; a student missing the final exam will receive a grade of zero.

Tentative Schedule of Topics, Assignments and Exams

Schedule. There are nine problem sets, two essays, two midterm exams, and a final exam scheduled. Each midterm exam is held in class on the date indicated and the essay related assignments and problem sets are due on the indicated dates – all dates are given in the **tentative** schedule below. The chapter numbers refer to the text: Frank's *Microeconomics and Behavior* (8th ed, 2010, McGraw-Hill Irwin Publishing).

Week by Week*

Week 1	What we will be covering in class	Assignments due in class
8/23	Introduction to Eco 3306 Math Review Chapter 1: Thinking Like an Economist (read on your own)	
8/25	Chapter 2: Supply and Demand	
Week 2		
8/30	Chapter 2: Supply and Demand, Appendix	
9/1	Chapter 3: Rational Consumer Choice	Problem Set 1 due
Week 3		
9/6	Chapter 3: Rational Consumer Choice	Draft of Essay 1 due
9/8	Chapter 3: Rational Consumer Choice, Appendix	Problem Set 2 due
Week 4		
9/13	Chapter 4: Individual and Market Demand	Comments on Essay 1 due
9/15	Chapter 4: Individual and Market Demand	Problem Set 3 due
Week 5		
9/20	Chapter 4: Individual and Market Demand	
9/21	Chapter 5: Applications of Rational Choice and Demand Theories	Final draft of Essay 1 due
Week 6		
9/27	Chapter 5: Applications of Rational Choice and Demand Theories	Problem Set 4 due
9/29	Midterm 1 (chapters 1-4)	
Week 7		
10/4	Review Midterm 1 Chapter 9: Production	
10/6	Chapter 9: Production, Appendix	Question for Essay 2 due
Week 8		
10/11	Chapter 10: Costs	
10/13	Chapter 10: Costs	Problem Set 5 due
Week 9		
10/18	Chapter 10: Costs, Appendix	First draft of Essay 2 due
10/20	Chapter 11: Perfect Competition	Problem Set 6 due
Week 10		
10/25	Chapter 11: Perfect Competition	
10/27	Chapter 11: Perfect Competition	

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Week 11		
11/1	Chapter 12: Monopoly	Comments on Essay 2 due
11/3	Chapter 12: Monopoly	Problem Set 7 due
Week 12		
11/8	Chapter 12: Monopoly	
11/10	Midterm 2 (chapters 9-11)	
Week 13		
11/15	Review Midterm 2 Chapter 13: Imperfect Competition (A Game-Theoretic Approach)	Final draft of Essay 2 due
11/17	Chapter 13: Imperfect Competition (A Game-Theoretic Approach)	Problem set 8 due
Week 14		
11/22	<i>No Class</i>	
11/24	Thanksgiving Holiday	
Week 15		
11/29	Chapter 13: Imperfect Competition (A Game-Theoretic Approach)	
12/1	Chapter 13: Imperfect Competition (A Game-Theoretic Approach)	Problem set 9 due
Week 16		
12/13	Comprehensive Final Exam, 2-4:00pm	

Final note

The policy of the Business School is that no food or drink (other than water) is allowed in classrooms. This policy will be strictly enforced so as to maintain the quality of our facilities. Thank you in advance for your cooperation.