



Econ 4010 - 001: Intermediate Microeconomic Analysis

Spring 2020

Mo and We, 11:50 – 1:10, BEH S 114

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Office Hours: Tuesday 1:30-3:00, Wednesday 9-10:30, other times by appointment
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Course Description

[From the course catalog:] Neoclassical principles of resource allocation. Topics include choice theory, theory of the firm, introduction to general equilibrium and welfare economics, theory of market structures, policy application and formal techniques.

Prerequisites: Principles of Microeconomics and Macroeconomics (Econ 2010 and 2020), and Mathematics for Economists (Econ 3620), or equivalent.

Fulfills QI requirement and is a core requirement for the Econ major. 3 credit hours.

Course Outcomes

By the end of this course, the successful student will be able to:

- Develop models of supply and demand behavior arising out of concepts of technology, production cost, utility and budget constraints,
- Identify and interpret market equilibria and analyze changes in equilibria arising from shifts in underlying parameters (like technological change) or tax, trade, or other policy interventions,
- Distinguish between and discuss the implications of different kinds of market structure (perfect competition, imperfect competition, monopoly),
- Understand the operation of factor markets, especially labor markets, and connect these processes to the operation of output markets, and
- Identify instances of market failure, especially those arising from information problems and externalities, and consider potential policy remedies of these failures.

Required Materials

Our textbook is Nicholson and Snyder, *Intermediate Microeconomics and Its Application* (12th Edition). I have ordered the electronic, “inclusive access” version of the book. The cost of the book will be incorporated into your tuition and fees – you do not need to purchase anything at the bookstore. (In particular, note that Cengage materials will include numerous advertisements for a service called “Cengage Unlimited.” You do not need to purchase “Cengage Unlimited” in order to have access to all the materials you need for this class.) You should receive an e-mail from Cengage (the publisher) regarding how to access the book. The necessary links are in the course Canvas site, and I will integrate the book materials into Canvas as much as possible. If you would like to have a hard-copy version of the book, older editions won’t match exactly with ours but may still be helpful. The bookstore will also carry a small number of physical copies, and you may also be able to order a rental copy from Cengage (details to come).

University Policies

1. **The Americans with Disabilities Act.** The University of Utah seeks to provide equal access to its programs, services, and activities for people with disabilities. If you will need accommodations in this class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, (801) 581-5020. CDS will work with you and the instructor to make arrangements for accommodations. All written information in this course can be made available in an alternative format with prior notification to the Center for Disability Services.
2. **University Safety Statement.** The University of Utah values the safety of all campus community members. To report suspicious activity or to request a courtesy escort, call campus police at 801-585-COPS (801-585-2677). You will receive important emergency alerts and safety messages regarding campus safety via text message. For more information regarding safety and to view available training resources, including helpful videos, visit safeu.utah.edu.
3. **Addressing Sexual Misconduct.** Title IX makes it clear that violence and harassment based on sex and gender (which includes sexual orientation and gender identity/expression) is a civil rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, color, religion, age, status as a person with a disability, veteran's status or genetic information. If you or someone you know has been harassed or assaulted, you are encouraged to report it to the Title IX Coordinator in the Office of Equal Opportunity and Affirmative Action, 135 Park Building, 801-581-8365, or the Office of the Dean of Students, 270 Union Building, 801-581-7066. For support and confidential consultation, contact the Center for Student Wellness, 426 SSB, 801-581-7776. To report to the police, contact the Department of Public Safety, 801-585-2677(COPS).

Course Policies:

Attendance and Punctuality: Late arrivals and early departures are disruptive. Please plan to arrive on time and remain until the end of class. You should not text or otherwise use your phone during class, and you should use your laptop (if you bring one) only for class purposes.

Submitting Work on Time: Due dates and exam dates are given below. These due dates and exam dates will not change unless there's some really extraordinary disruption to our schedule. Plan on meeting them. **In particular, please make note of the final exam date and arrange your work/travel plans accordingly.** Late work will incur a severe penalty, and make-up exams will not be given except in the event of medical or similar emergency (and only if documentation of the emergency is provided).

Scheduling Note:

We will meet in a different room once, on Wednesday, January 22: HPR W 117. I have no idea why.

Assignments and Grading:

Practice Homework: 10 Total Points

Five times during the term, I will assign a few questions from the book's online homework. These will be assigned on Wednesday, with answers due to be submitted online by the end of the following Friday. I will then review the submitted answers before the next class, and we will spend time in class working through any typical mistakes or misunderstandings. These submissions will be graded Credit/No Credit – you get credit for complete and apparently serious answers, even if they're wrong. The purpose is to get you to think about and work with the material in an ongoing way, and to help us catch common

areas of confusion before moving on. **You are required to do 4 of these for a total of 10 points. If you wish, you can turn in all 5 to earn 2.5 extra credit points.**

Problem Sets: 30 total points

Before each of our three exams, we will do a problem set to help you get ready for the exam. These will be returned during the last class before each exam, and we will use them to review exam material. See dates below. 10 points each.

Exams: 50 total points

We will have 3 total exams – two mid-terms and a final. The mid-terms are each worth 15 percent of the final grade, and the final exam is worth 20 percent. See dates below.

Policy/Analysis Exercise: 10 total points

Each student will identify one policy or business or other issue in the news that illustrates some of the microeconomic concepts we are investigating this term. You will

- Identify and formally apply relevant microeconomic concepts,
- Determine whether the press account you have found applies these concepts sensibly,
- Identify any additional, important concerns or principles that you think should be incorporated into the analysis (going beyond what we usually include in economic models), and
- Make a simple policy recommendation based on your work.

Policy questions currently in the news that might be good candidates for this assignment include subsidies for alternative energy sources; the provision of “universal basic income;” the level of legal immigration to the US, or the “selection criteria” in immigration policy; the provision of a “free college education;” and student debt forgiveness. (There are surely many other possibilities.)

This assignment will involve both a “proposal” (worth 3 points), and a final report (worth 7 points), for 10 points total. See due dates below. (More detailed instructions will be provided later in the term.)

Due Dates:

Practice Homework:

Practice 1: Assigned Wednesday 1/15, due online FRIDAY, 1/22

Practice 2: Assigned Wednesday 1/22, due online FRIDAY 1/24

Practice 3: Assigned Wednesday 2/19, due online FRIDAY 2/21

Practice 4: Assigned Wednesday 2/26, due online FRIDAY 2/28

Practice 5: Assigned Wednesday 4/1, due online FRIDAY 4/3

Problem Sets:

PS 1: Assigned Wednesday 1/29, due Monday 2/3

PS 2: Assigned Wednesday 3/4, due Monday 3/16

PS 3: Assigned Wednesday 4/8, due Wednesday 4/15

Exams:

Mid-Term 1: Monday 2/10

Mid-Term 2: Monday 3/23

Final Exam: Monday 4/27, 10:30-12:30

Policy/Analysis Project:

Proposal due Monday 3/30
Final project due Monday 4/20

Grade Scale:

Grade	Percentage Score
A	92 and above
A-	90 to < 92
B+	88 to < 90
B	82 to < 88
B-	80 to < 82
C+	75 to < 80
C	70 to < 75
C-	65 to < 70
D+	63 to < 65
D	57 to < 63
D-	55 to < 57
E	< 55

Topic Schedule

I plan to cover the following chapters from Nicholson and Snyder. I expect we will take about a week for each chapter, and I've listed tentative dates for each chapter here, but shifts in pace are possible (again, though, exam dates and assignment due dates will not change except in extraordinary circumstances). I will post frequent schedule updates on Canvas and will also note our progress in class.

Introduction

1/6

Demand:

1/8: Chapter 2 – Utility and Choice
1/13: Chapter 3 - Demand Curves
1/15: Chapter 3 Continued

1/20: Martin Luther King Holiday, No Class

Production, Costs and Supply

1/22: Chapter 6 - Production
1/27: Chapter 6 Continued
1/29: Chapter 7 - Costs
2/3: Chapter 7 Continued
2/5: Review for first mid-term
2/10: First mid-term
2/12: Chapter 8 – Profit Maximization and Supply
2/17 President's Day Holiday, No Class
2/19: Chapter 8 Continued

Perfect Competition

2/24: Chapter 9 – Perfect Competition in a Single Market

2/26: Chapter 9 Continued

3/2: Chapter 10 – General Equilibrium and Welfare

3/4: Chapter 10 Continued

Spring Break: March 9-13, No Class

Market Power

3/16: Chapter 11 - Monopoly

3/18: Review for second mid-term

3/23: Second mid-term

3/25: Chapter 12 – Imperfect Competition

3/30: Chapter 12 Continued

Input Markets

4/1: Chapter 13 - Pricing in Input Markets

4/6: Chapter 13 Continued

Market Failure

4/8: Chapter 15 - Asymmetric Information

4/13: Chapter 16 - Externalities and Public Goods

4/15: Chapter 16 Continued

4/20: Review for Final

FINAL EXAM: MONDAY 4/27, 10:30-12:30

Note: This syllabus is meant to serve as an outline and guide for our course. Please note that I may modify it with reasonable notice to you. I may also modify the course schedule to accommodate the needs of our class. Any changes will be announced in class and posted on Canvas under “Announcements.”

Emergency Evacuation:

Should there be a need to evacuate the building during class, we will assemble at Assembly Point S2 (in the parking lot between the library and the dance building) and await further information there.



BUILDING EVACUATION

EAP (Emergency Assembly Point) – When you receive a notification to evacuate the building either by campus text alert system or by building fire alarm, please follow your instructor in an orderly fashion to the EAP marked on the map below. Once everyone is at the EAP, you will receive further instructions from Emergency Management personnel. You can also look up the EAP for any building you may be in on campus at <http://emergencymanagement.utah.edu/eap>.



CAMPUS RESOURCES

U Heads Up App: There's an app for that. Download the app on your smartphone at alert.utah.edu/headsup to access the following resources:

- **Emergency Response Guide:** Provides instructions on how to handle any type of emergency, such as earthquake, utility failure, fire, active shooter, etc. Flip charts with this information are also available around campus.
- **See Something, Say Something:** Report unsafe or hazardous conditions on campus. If you see a life threatening or emergency situation, please call 911!

Safety Escorts: For students who are on campus at night or past business hours and would like an escort to your car, please call **801-585-2677**. You can call 24/7 and a security officer will be sent to walk with you or give you a ride to your desired on-campus location.

