

# ECON 3070 - Intermediate Microeconomic Theory

Spring 2019  
MWF 11:00AM-11:50AM GUGG 205

Recitation Times:  
Mon. 3:00PM-3:50PM STAD 135, Wed. 8:00AM-8:50AM ECON 119

Instructor: Professor Richard Mansfeld  
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Office Hours: Tuesday 11:00AM - 12:00PM, 1:00PM-2:00PM, Friday 2:00PM - 3:00PM

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TA Office: ECON 309B  
TA Office Hours: Tuesday 3:30-4:45, Wednesday 9:00-10:30AM, Thursday 3:30-4:45PM

January 14, 2019

# 1 Course Overview

This course provides a comprehensive introduction to microeconomic theory. The content includes consumer choice of products, firm production decisions, equilibrium market-level prices and quantities, and evaluation of the impact of government policies on consumer and producer welfare. However, the chief aim of the course is to teach you how to develop and work with formal economic models. Specifically, in this course you will learn:

- The ingredients of an economic model

- How to combine the ingredients to formulate a fully specified model

- What it means to (and how to) solve a model

- How to adjust model assumptions in the face of new evidence in order to improve the accuracy of its predictions

We will apply these tools by formulating and solving economic problems from the perspective of the consumer, the firm, the worker, and the government, respectively.

More fundamentally, in the course of learning to work with economic models, you will develop a deeper understanding of how to represent economic logic verbally, graphically, and algebraically (and how to easily move back and forth between these forms). Of particular importance is learning how to convert intuitive statements into mathematical representations by choosing appropriate functional forms.

# 2 Prerequisites

Economics Prerequisites: ECON 2010 Mathematics Prerequisites: Either the combination (ECON 1078 AND ECON 1088) or MATH 1081 or the combination (MATH 1080, MATH 1090 and MATH 1100)

# 3 Assignments and Grading

Weekly problem sets will be distributed that are designed to reinforce and expand upon the topics covered in class. These problem sets will not be graded, and solutions will be provided separately at the time they are distributed. Instead, quizzes tied closely to these problem sets will occur in recitation each week. Scores on these quizzes will comprise 10% of each student's grade. Quizzes may not be made up, but each student's lowest score over the course of the semester will be dropped.

There will be three in-class midterm examinations (tentative dates: February 11th, March 8th, and April 12th). Each midterm will comprise 16.66% (1/6) of each student's grade, so that the midterms collectively will account for 50% of the grade. The final exam will comprise 25% of the student's grade. The final exam will be comprehensive, but will focus primarily on untested content from the final quarter of the semester. Calculator use is prohibited on the exams. The final 15% of each student's grade will be based on classroom and recitation attendance (7%), scores on in-class clicker questions (4%), and oral classroom participation (4%).

The final exam will take place Sunday, May 5th from 1:30PM to 4:00PM.

Each student's weighted average score will be calculated, and a final letter grade will be computed based on a curve that ensures that the distribution of grades will be similar to that observed in other sections of ECON3070.

## 4 Textbook

The primary textbook for the course is *Microeconomics*, 5th edition, by David Besanko and Ronald Braeutigam. While the content and sequence of lectures will generally follow the textbook, not all lecture material will be covered in the textbook, and not all textbook material will be covered in class. All problem sets and exams will be based only on the content covered in lecture. Thus, purchase of the textbook is not explicitly required. However, because the course closely follows the book, buying the textbook is *extremely strongly* encouraged.

## 5 Course Website

Students should enroll in this course's Canvas webpage. This syllabus will be posted there, along with problem sets, announcements, and grades.

## 6 Course Schedule

A tentative schedule of lecture topics, textbook reading assignments, and exam dates is provided below. The chapters listed refer to Besanko and Braeutigam's *Microeconomics*, 5th edition. Note that in addition to Martin Luther King Day (January 21st) and Spring Break (March 25th/27th/29th), there will also be no class on Monday, April 15th due to preexisting commitments of the professor. The dates of these classes are replaced with "NC" for "no class" on the course schedule below.

| Week         | Topics                                                        |
|--------------|---------------------------------------------------------------|
| Jan 14/16/18 | Introducing the Economic Model & Perfect Competition Overview |
| Jan NC/23/25 | Consumer Preferences                                          |
| J/F 28/30/1  | Consumer Optimal Choice                                       |
| Feb 4/6/8    | Nonlinear Budget Constraints                                  |
| Feb 11/13/15 | <b>1st Midterm Exam &amp; Demand Curves</b>                   |
| Feb 18/20/22 | Consumer Welfare & Intro. to Production                       |
| F/M 25/27/1  | Cost Minimization & Factor Demand                             |
| Mar 4/6/8    | Profit Maximization & <b>2nd Midterm Exam</b>                 |
| Mar 11/13/15 | Supply Curves                                                 |
| Mar 18/20/22 | Short- and Long-Run Perfect Competition                       |

## 7 Clickers

Students are required to have a clicker for this class and extra batteries for each class. Clicker information will be used to help determine your attendance and participation grade. You are responsible for purchasing and registering the your clicker by January 14th. Information on how to register clickers is available at <http://www.colorado.edu/oit/tutorial/cuclickers-iclicker-remote-registration>. Make sure you use your identity key log in name so your clicker number can be matched to the grade roster. If you have any problems with your clickers call IT at 5HELP. Remember that using someone elses clicker for them violates the honor code, so do not do it and do not ask someone to use your clicker if you are going to be absent from class.

## 8 Attendance

Students who do not attend at least two of the first three classes may be administratively dropped from the course in favor of students on the wait list.

## 9 Makeup Exams

If you communicate to me prior to the day of the exam that you will need to miss an exam due to a religious holiday or due to illness, a makeup exam may be scheduled with the professor. If the makeup is taken after the originally scheduled exam, then the makeup

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Please advise me of this preference early in the semester so that I may make appropriate