

Econ 3113: Intermediate Microeconomics

Spring 2016

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Course Description

The objective of this course is to introduce the main concepts of microeconomics and to teach how to apply the various tools of economic analysis to “real world” issues. Covered topics will include consumer theory, theory of the firm, market structure, factor markets, decision making under uncertainty, missing markets and limited information. At the end of the semester, students will be able to evaluate whether the economic agents (individuals, firms, policymakers) are efficiently using the scarce resources of the world.

Prerequisites: An introductory level microeconomics course (Econ 2103) and basic understanding algebra. Additional mathematical concepts will be introduced as needed.

Important: let me know as soon as possible if you did not have Econ 2103.

Home works and Quizzes: Home works will be primarily assigned from MyEconLab (online) and quizzes via tophat (online). Additional assignments will be handed out in class as needed. The deadline for the online assignments will be strictly enforced, i.e. you will not be able to submit your homework after the deadline has expired. For HW handed out in class, there is a 25% penalty on HW handed in after the deadline.

There will be unannounced quizzes. If you miss a quiz without a legitimate excuse you will get 0 points. You are encouraged to work in groups on the HW problems, but each student must write up and submit his/her own answers separately. Each quiz will be worth 5 points. At the end of the class, the average will be counted as extra points.

Attendance I take attendance. If class has started by the time you enter, you should make sure that I counted you as present by checking with me after class. More than two absences will affect your final grade by 2% per absence, with a maximum penalty of 10%.

Let me know when you will be (or are) absent due to illness, family emergency or OSU related event.

Exam: There will be three midterm exams and a final exam (all in-class, closed books). Exams will be based on the assigned readings and problem sets. The final exam will be comprehensive.

1 Learning goals

	Course Terminal Learning Objectives: Upon completing the course, students should be able to	SSB Program Learning Goal
1	Understand how economic agents respond to changes in opportunities and constraints in a world of scarcity	Business knowledge and competency
2	Understand how prices inform decisions about production and consumption	Business knowledge and Competency
3	Understand how market structures influence the behavior of decision-makers	Critical thinking
4	Use microeconomic theory to understand and explain economic behavior	Business knowledge, competency and critical thinking
5	Apply economic reasoning in thinking about real world economic problems	Business knowledge, competency and critical thinking

2 Grade Determination

Home Assignments	25 %
Mid-term Exams	35 %
Final Exam	40 %

3 Grading Scale

There will be an absolute grading scale. Grades will not be determined on a curve. This means that it is possible for everyone to get an A in this class, dependent on their own performance only.

90-100:	A
80-89:	B
70-79:	C
60-69:	D
Below 60:	F

Rounding: Cumulative grades will be rounded off to remove decimals. For example, an 89.49% will be rounded off to 89% and result in a B, but an 89.51% will be rounded off to 90% and result in an A.

4 Make-up Policy

There will be no make-up for exams and quizzes for unexcused absences. Unexcused absences will earn a zero on the concerned exam or quiz. Valid excuses include (documented medical or family emergencies, or participation in university events. For valid excuses (except participation in university events), the student's grade shall be calculated by re-weighting completed work, provided the student has appeared for at least one exam and submitted all homework by the last regular class meeting. For participation in university events falling on an exam day, you must the instructor at least have to inform me and take the exam early. Otherwise, the student's grade will be calculated only on the basis of the coursework completed out of total coursework. See the OSU syllabus attachment below for more information on University policy on attendance and withdrawal.

5 Academic Integrity

The rules of academic integrity will be strictly enforced in this class. Please visit <http://academicintegrity.okstate.edu> for details on university policy pertaining to academic integrity.

6 Text Books

1. Required Textbook: Microeconomics, Jeffrey M. Perloff, 7th edition, 2015, Pearson-Addison Wesley Publishers.
2. In addition, you should subscribe to MyEconLab. The registration site address is http://myeconlab.mathxl.com/login_econ.htm. It is essential that you register in or-

der to complete some of your assignments. Along with purchase of the text book, you obtained access to the site.

3. Other readings may be assigned as needed.

7 Course Outline (subject to revision throughout the semester at discretion of the instructor)

1. Introduction: allocation of scarce resources, using economic models (chap 1)
2. Supply and Demand (chaps 2-3)
 - (a) Supply and demand
 - (b) Market equilibrium, effects of government interventions
 - (c) Elasticity of demand and supply, effects of sales tax
3. Consumer Theory (chaps 4-5)
 - (a) Consumer choice: preferences, utility
 - (b) Consumer choice: constrained consumer optimization
 - (c) Applications of consumer theory: derivation of demand curves, derivation of labor supply curves
4. Theory of the Firm (chaps 6-7)
 - (a) Firms and production: short-run vs. long run production, returns to scale, productivity
 - (b) Production costs: short-run vs. long-run costs
5. Perfect Competition (chaps 8-10)
 - (a) Competitive firm: profit maximization
 - (b) Perfect competition: short-run vs. long-run
 - (c) Applications of the competitive model: consumer and producer welfare, effects of sales tax
 - (d) General equilibrium: production, trading and economic welfare
 - (e) General equilibrium: efficiency and equity

6. Market Power and Market Structure (11-14)
 - (a) Monopoly: market power and welfare effects
 - (b) Pricing and advertising
 - (c) Oligopoly and monopolistic competition: cartels and non-cooperative oligopoly
 - (d) Oligopoly and monopolistic competition: Cournot model, Stackelberg model, Bertrand model, monopolistic competition
 - (e) Game theory: static and dynamic games
 - (f) Game theory: auctions
7. Factor markets (15-16)
 - (a) Competitive factor markets vs. monopsony
 - (b) Interest rates: money today vs. money tomorrow, choice over time
8. Uncertainty, Missing Markets and Limited Information (17-20)
 - (a) Uncertainty: degree of risk, decision making under uncertainty
 - (b) Asymmetric information: adverse selection, market for lemon, hiring problems
 - (c) Contract and moral hazards: principal-agent problem, production efficiency

8 Exams

1. First midterm: February 16, 2016
2. Second midterm: March 10, 2015
3. Third midterm: April 14, 2016
4. Final: OSU final week



OKLAHOMA STATE UNIVERSITY

SYLLABUS ATTACHMENT

Spring 2016

<http://academicaffairs.okstate.edu/>

YOUR SUCCESS AS A STUDENT IS OUR TOP PRIORITY.
THIS INFORMATION IS PROVIDED TO ANSWER QUESTIONS MOST OFTEN ASKED BY STUDENTS.

IMPORTANT DATES

Last day to add a class (without instructor permission)	1/19/2016
Last day to drop a course with no grade and 100% refund	1/19/2016
Last day to add a class (requires instructor & advisor permission)	1/22/2016
Last day to drop a course or withdraw from the University with an automatic "W" and receive a partial refund (requires advisor signature)	1/22/2016
Last day to post 6 week grades	2/23/2016
Last day to file diploma application (for name to appear in Fall Commencement program)	4/1/2016
Last day to drop a class or withdraw from the University with an automatic "W"	4/8/2016
Last day to withdraw from all OSU classes with an assigned grade of "W" or "F"	4/22/2016
Pre-Finals week	4/25-4/29/2016
Final examinations	5/2-5/6/2016

Note: Outreach, Internet, and short courses have unique drop/add and refund deadlines; lookup the specific deadlines for these courses on the Short, Internet and Outreach Class Schedules page of the Registrar's website <http://registrar.okstate.edu/SIO-Schedule>.

Spring Semester Holidays

University Holiday	1/18/2016
Students' Spring Break	3/14-3/18/2016

DROPPING A COURSE AND WITHDRAWING FROM THE UNIVERSITY

students often confuse these terms. **Dropping a Course** (or courses) may occur during the first twelve weeks of the semester. This means, however, that you are still enrolled in at least one other OSU course. Exceptions to the deadlines above may only be considered by petition due to documented extraordinary circumstances and committee approval. The Retroactive Drop/Withdraw Petition and the Petition for a Refund of Tuition and Fees forms are available on the Registrar's website <http://registrar.okstate.edu/Forms>.

Withdrawing from the university means dropping *all* courses and you **are no longer enrolled for the current semester**. This may occur until the Friday before pre-finals week. The withdrawal process is initiated with your academic advisor. For additional information and dates, go to: [HTTP://ACADEMICAFFAIRS.OKSTATE.EDU/CONTENT/ADDING-DROPPING-AND-WITHDRAWING-COURSES](http://academicaffairs.okstate.edu/content/adding-dropping-and-withdrawing-courses)

ALERTS AND RESCHEDULING

If the OSU campus officially closes due to inclement weather or other emergencies, alerts are provided to local news media and posted on the OSU website. Missed exams, classes, or assignments may be rescheduled at times outside the normal meeting schedule. If valid, documented circumstances prohibit students from attending the rescheduled classes, instructors should provide reasonable alternative means for makeup.

SEEK ANSWERS TO YOUR QUESTIONS

The OSU faculty and staff want you to be successful in your educational pursuits. If you have questions or concerns, seek help EARLY. We are here to assist you.

ACADEMIC INTEGRITY

101 Whitehurst, 405-744-5627

<http://academicintegrity.okstate.edu>

OSU is committed to maintaining the highest standards of integrity and ethical conduct. This level of ethical behavior and integrity will be maintained in this course. Participating in a behavior that violates academic integrity (e.g., unauthorized collaboration, plagiarism, multiple submissions, cheating on examinations, fabricating information, helping another person cheat, unauthorized advance access to examinations, altering or destroying the work of others, and altering academic records) will result in an official academic sanction. Violations may subject you to disciplinary action including the following: receiving a failing grade on an assignment, examination or course, receiving a notation of a violation of academic integrity on your transcript, and being suspended from the University. You have the right to appeal the charge.



COPYRIGHT & FAIR USE POLICY OF COURSE MATERIALS

Course materials may not be published, leased, sold to others, or used for any purpose other than appropriate OSU-related individual or group study without the written permission of the faculty member in charge of the course and other copyright holders. This paragraph grants you a limited license giving you access to materials for this course, including PowerPoint slides, audio/video recordings, written, or other materials, for appropriate OSU-related educational use only. Lectures should not be recorded without permission from the faculty member and must not be further disseminated or shared.

CLASS ATTENDANCE

Class attendance is a critical component of learning; therefore, you are expected to attend and participate fully in all scheduled class meetings. Many instructors consider attendance so essential that your grade may be affected by your absence. *SOME DEPARTMENTS AND PROFESSORS HAVE MANDATORY ATTENDANCE POLICIES*. If no written attendance policy is provided before the last day to add a class without instructor permission, no penalty may be assessed for class absences although you may not be permitted to make up certain in-class activities. If you are required to participate in official university-sponsored activities or military training, you should receive an excused absence unless the written course attendance policy indicates otherwise. If you will be absent from class for sponsored activities, you must provide prior notification of the planned absence to the instructor. You may be required to submit assignments or take examinations before the planned absence.

PRE-FINALS WEEK POLICY

Final examinations are scheduled at the end of each semester and are preceded by pre-finals week, which begins seven days prior to the first day of finals. During pre-finals week, all normal class activities will continue; however, no assignment, test, or examination accounting for more than 5% of the course grade may be given; and no activity or field trip may be scheduled that conflicts with another class. This excludes makeup and laboratory examinations, out-of-class assignments (or projects) made prior to pre-finals week and independent study courses. No student or campus organization may hold meetings, banquets, receptions, or may sponsor or participate in any activity, program, or related function that requires student participation. For additional information, contact the Office of Academic Affairs, 405-744-5627, 101 Whitehurst.

FINAL EXAM OVERLOAD POLICY

In the event you have three or more final exams scheduled for a single day, you are entitled to arrange with the instructor of the highest numbered course (4 digit course number) or two highest, if you have four finals on one day, to re-schedule that examination(s) at a time and place of mutual convenience during final exam week. If the final exam overload includes a common final exam, the common final exam is excluded from rescheduling unless multiple common exams are scheduled at the same time. You should submit this request in writing, with a copy of your class schedule, at least two weeks prior to the beginning of final exam week. The instructor has one week prior to the beginning of final exam week to arrange a mutually convenient time and place for administration of the final exam. After one week, if an agreement cannot be reached, take the request to the department head.

INFORMATION TECHNOLOGY

Student Email - OSU uses your OKSTATE.EDU email address as a primary form of communication. Students are expected to check their OSU email on a frequent and consistent basis to remain informed of their official university business. If you do not use the OSU email system you must redirect your okstate.edu email using the Orange-Key System (www.okey.okstate.edu). Failure to maintain an accurate email address may result in missed or lost university communications. For email assistance contact the IT Helpdesk at 405-744-HELP (4357).

Computer Labs - A complete description of computer labs and hours of operations are available at their website: <https://it.sharepoint.okstate.edu/TechnologySupport/DeskSide/default.aspx>. Lab information is also available by calling the Information Technology Help Desk, 405-744-HELP (4357).

EDMON LOW LIBRARY HOURS

405-744-9775 or 405-744-9741

www.library.okstate.edu

Text 405-592-4128

Monday-Thursday	7:00 a.m. – 2:00 a.m.
Friday	7:00 a.m. – 10:00 p.m.
Saturday	9:00 a.m. – 10:00 p.m.
Saturday and Sunday	9:00 a.m. – 2:00 a.m.

*For holiday and intersession hours, check

<http://www.library.okstate.edu/services/hours.htm>

*Contact the following for information on hours of operation:

Architecture Library	405-744-6047
Curriculum Materials Library	405-744-6310
Veterinary Medicine Library	405-744-6655

GENERAL EXPECTATIONS OF STUDENTS

By enrolling at Oklahoma State University, you accept responsibility for complying with all University policies and contracts, and for local, state and federal laws on- or off-campus that relate to the University's mission. **The Student Rights and Responsibilities Governing Student Behavior** document explains the standards of behavior expected of you, processes in place for enforcing the rules, and the University's response to violations <http://studentconduct.okstate.edu/>

In general, the University expects you to respect the rights of others and authorities, represent yourself truthfully and accurately at all times, respect private and public property, and take responsibility for your own actions and the actions of your guests. Call 405-744-5470 for more information.

WHERE TO GO FOR HELP

Instructor - If you have questions regarding your class, talk to your instructor. Faculty members usually include their office hours and/or phone number in the class syllabus. If you cannot locate this information, set a time to meet with your instructor by speaking with him/her prior to or immediately following your class session or check with the departmental office on when the instructor may be available.

Academic Advisor - All students will benefit by conferring with an

advisor on a regular basis. If you do not know your advisor, or are unhappy with your advisor, talk to the Student Academic Services Director for your college.

Academic911.okstate.edu - Your online resource for academic and personal success, sponsored by Student Affairs.

Mathematics Learning Success Center

5th Floor, Edmon Low Library/405-744-5818 <http://www.math.okstate.edu>

Tutors are available to answer questions for classes ranging from Beginning Algebra through Calculus II. Tutoring for Differential Equations and Linear Algebra is offered at specific times.

Writing Center

440 Student Union/405-744-6671 <http://osuwritingcenter.okstate.edu>

The Writing Center helps writers throughout the composing process; you should plan to visit early and often throughout the semester, not just the day before an assignment is due. Tutors will work with you to improve your brainstorming, organizational, and composing techniques.

Learning & Student Success Opportunity (LASSO) Tutoring Center

021 Classroom Building/405-744-3309 <https://lasso.okstate.edu/>

LASSO offers free individual tutoring for a variety of courses.

University Counseling Services

320 Student Union/405-744-5472 or 405-744-7007 <http://ucs.okstate.edu/>

Professional counselors offer confidential personal and/or career counseling.

Office of Student Disability Services (SDS)

315 Student Union/405-744-7116

<http://sds.okstate.edu/>

According to the Americans with Disabilities Act, each student with a disability is responsible for notifying the University of his/her disability and requesting accommodations. If you think you have a qualified disability and need special accommodations, you should notify the instructor and request verification of eligibility for accommodations from the Office of SDS. Please advise the instructor of your disability as soon as possible, and contact Student Disability Services, to ensure timely implementation of appropriate accommodations. Faculty has an obligation to respond when they receive official notice of a disability but are under no obligation to provide retroactive accommodations. To receive services, you must submit appropriate documentation and complete an intake process to verify the existence of a qualified disability and identify reasonable accommodations.

Office of Equal Opportunity

408 Whitehurst/405-744-9153

OSU is committed to maintaining a learning environment that is free from discriminatory conduct based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, age or protected veteran status. OSU does not discriminate on the basis of sex in its educational programs and activities. Examples of sexual misconduct and/or sex discrimination include: sexual violence, sexual harassment, sexual assault, domestic and intimate partner violence, stalking, or gender-based discrimination. OSU encourages any student who thinks that he or she may have been a victim of sexual misconduct or sexual discrimination to immediately report the incident to the Title IX Coordinator (405-744-9153) or Deputy Title IX Coordinator (405-744-5470). Students may also report incidents of sexual misconduct or sex discrimination to a faculty or staff member, who is then required by federal law (Title IX) to notify the Title IX or Deputy Title IX Coordinator. If a reporting student would like to keep the details confidential, the student may speak with staff in the Student Counseling Center (405-744-5472) or the University's Victim Advocate (Suzanne Burks: 405-744-5458). For more information regarding Title IX violations, go to: <https://1is2many.okstate.edu/>.