Intermediate Microeconomics
Econ 3100-02
Fall 2022

Instructor: Dr. Fulya Ersoy, Assistant Professor of Economics

Contact Information:
Email: **fulya.ersoy@lmu.edu**

Class Time: Tue/Thu 11:50 am-1:30 pm
Class Location: St. Robert's Hall 022*
***Zoom link for online classes**:
Meeting ID: 837 0981 8717
Passcode: 410765
https://lmula.zoom.us/j/83709818717?pwd=ZkVJbVFGUFpNL05wS0l5WTlKVlRmZz09

Office Hours:
Tuesday 2:30 pm-3:30 pm (in person)
Wednesday 2:30 pm-3:30 pm, 5:30pm-6:30pm (in person)
Friday 10:00 am – 11:00 am (on zoom)
Location for Tuesday/Wednesday: University Hall 4223
Zoom link for Friday office hours:
Meeting ID: 848 6821 6672
Passcode: econisfun
https://lmula.zoom.us/j/84868216672?pwd=T1FmSVBtMWcxQ0RkWmNHRDlTZkNsdz09

Peer Tutoring (TBA)

Course Description
ECON 3100 is a _calculus-based_ intermediate-level microeconomics course. Microeconomics is the study of individuals, households and firms' behavior in decision making and allocation of resources. In this course, we focus on individual decision making of consumers and producers. First, we discuss consumer theory, how individuals optimally decide what to consume and how much to consumer under constraints. Second, we discuss producer theory, how firms combine productive inputs to supply commodities and how the pricing and quantity decisions of the firms differ in perfect and imperfect markets. Third, we examine general equilibrium theory, the interaction of supply and demand in the economy as a whole. Then, we cover some basic applications of game theory. Finally, we go through a selection of special topics: asymmetric information, externalities, public goods, and behavioral economics.

Prerequisites: A grade of at least B- in ECON 1050 or ECON 1100, and a grade of at least B- in MATH 112 or of at least C in MATH 131 or MATH 132.

Course Objectives and Student Learning Outcomes

Objective 1: Develop a frame of mind and a toolkit of microeconomics with the purpose of preparing students for the upper-level courses
- Students can describe consumer preferences and model consumer behavior using a variety of utility functions
- Students can solve consumers' and firms' constrained optimization problems using Lagrangian method
- Students can compare and contrast various market structures such as competitive, monopolistic, and oligopolistic markets
- Students can set up and solve basic game theoretic models
- Students can diagram Edgeworth box to model general equilibrium and solve for general equilibrium analytically
- Students can explain and give examples of market failures due to asymmetric information and externalities

Objective 2: Develop critical thinking skills
- Students can interpret and display quantitative relationships in graphs, tables and charts
- Students can choose the appropriate method to solve the problems
- Students can set up problems using mathematical notation when given a text.
- Students can integrate assumptions and information from the text to solve problems.

Disclaimer: (1) Students may vary in their competency levels on these outcomes and (2) they can expect to achieve these outcomes only if they honor all course policies, attend classes regularly, complete all assigned work in good faith and on time, and meet all other course expectations of them as students.

Class Website
I will use **Brightspace** in an active manner to post materials and announcements. Make sure you check it regularly!

Textbook (Not required but highly recommended)
Goolsbee, Levitt, and Syverson; Microeconomics, 2nd or 3rd Edition

Work Load Expectations
You are expected to spend at least 9 hours per week outside of class, on doing assignments, practicing, reading, and studying for exams.

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Office: UH 4223
Assessment Tools

Class Participation (%5): Attendance is mandatory, but you can miss **up to 5 classes** without any penalties. I will take attendance <u>at the beginning of the class</u>**.** Excessive absences (more than 5) as well as chronic tardiness or failure to fully participate will reduce your participation grade. Your active participation in the class discussions is expected. Your active participation in the class discussions is expected. You will be expected to work with your peers during the class. You are expected to behave in a respectful manner towards everyone, and dress appropriately.

Problem Sets (%20): There will be 11 problem sets in total. The problem sets will be due <u>at the beginning of class on Thursdays.</u> The problem sets will be posted on Brightspace at least one week before the due date under the **Assessments/Assignments** tab. You will be submitting your problem sets **individually**. Your problem sets will be graded based on your effort. On each question, you will get
- Full marks if you put good-faith effort, and
- 0 otherwise.

I will post solutions for these problem sets on Brightspace, and I will hand the graded assignments back in class.

You may work with other students on the problem sets. For example, you can work on the problem sets separately and get together to compare answers or you can get together to work through it together. You should NOT copy each other's work. You should be able to explain everything on your problem set and everything should be in your own words.

Quizzes (15%): There will be 11 quizzes. The quizzes will take place <u>at the beginning of the class</u> on the dates the problem sets are due. You will be submitting your quizzes **individually** and you are not allowed to work with other students on the quizzes.

The quiz questions will be similar to the questions you have in the problem sets. Hence, it is in your best interest to work on your problem sets carefully. While answering the quiz questions, you can have your problem sets with you. You will not have access to any other aid.

The quizzes will be graded based on accuracy similar to how your exams will be graded. I will post quiz solutions on Brightspace and provide individualized feedback on your quizzes. If you miss a quiz or you cheat on a quiz, you will get a score of 0. If you miss a quiz for a documented legitimate reason, your other quiz scores will be re-weighted.

Exams (%60 in total): There will be 3 exams, each counting equally. The exams will take place in the classroom at the scheduled class time (except the final exam). Before the exams, I will distribute detailed instructions on how to take the exam and study guides detailing what you are expected to know for the exams. The exams will NOT be cumulative, and you will be given information about which chapters you are responsible for in each exam.

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Policy on Make-Up Exams

If you miss an exam for

- participation in a LMU mandated or required university-sponsored activity (such as a game or tournament), or
- grave illness,

then your other exam grades will be re-weighted to make up for the missed exam grade.

IMPORTANT: Both of these cases need to be supported by **documentation**. Please note that Student Health Services does not provide medical excuse notes, so you need to get medical documentation from another facility. The medical documentation should have the doctor's name, signature, date and the reason.

If you miss an exam for any other reason or if you miss more than one exam due to the above reasons, you need to take the Make-Up exam which will take place at the end of the semester (Week 15). This exam will be cumulative, i.e. it will include all chapters.

In all these cases, you must notify me that you will miss the exam *before* the exam is given.

Note: Problem sets are essential for you to practice applying the methods taught in class to specific problems. Hence, if you miss a problem set, I encourage you to still submit it later for half of the marks. However, late submissions after the relevant exam will NOT be accepted. For example, you can submit Problem Sets 1-4 only before Exam 1 to get half of the marks.

What should I do to be successful in this class?

- Attend the lectures and participate. Ask questions if you are confused.
- Take notes especially for the intuition and sample problems I solve on the board.
- If you miss a lecture, please make sure you get the lecture notes from a friend and you are informed about the announcements that are made in class.
- Practice, practice, practice:
    - By working through the figure-it-outs we will do in class (group work is encouraged)
    - By doing the problem sets.
    - By solving the "figure it outs" in the book without looking at the answers. When you finish, look at the answers and ask me if you don't understand.
- Come to office hours! Utilize your tutor!

Grades

Grades will not be rounded. Letter grades are assigned according to the grading scale below:

93 or above	A	between 77 (inclusive) and 80 (exclusive)	C+
between 90 (inclusive) and 93 (exclusive)	A-	between 73 (inclusive) and 77 (exclusive)	C
between 87 (inclusive) and 90 (exclusive)	B+	between 70 (inclusive) and 73 (exclusive)	C-
between 83 (inclusive) and 87 (exclusive)	B	between 60 (inclusive) and 70 (exclusive)	D
between 80 (inclusive) and 83 (exclusive)	B-	Below 60	F

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Grade Dispute Policy
If you want to dispute your grade from an assignment or an exam, you need to submit a formal written justification for the change citing the relevant material and the relevant part of the rubric within forty-eight hours.

Academic Honesty
Academic dishonesty will be treated as an extremely serious matter with severe consequences that can range from receiving no credit for assignments, failing the class, to expulsion. It is never permissible to turn in any work that *has not been authored* by the student, such as work that has been <u>copied from another student</u> or <u>copied from a source</u> (including the Internet and solution manuals) without properly acknowledging the source. It is your responsibility to make sure that your work meets the standard set forth in the "Academic Honesty Policy" (see http://academics.lmu.edu/honesty.) I reserve the right to quiz you individually about the details of answers on all assignments, quizzes, and exams – failure to clearly explain the presented answers and all related aspects implies a charge of academic dishonesty.

Communication
I will communicate with the class and individual students using campus email, so it is essential that you regularly check your lion.lmu.edu email account or the preferred email address to which you forward. If you send me an email on a *weekday*, I will reply within 24 hours. If you do not hear back from me within 24 hours, feel free to email me again.

Electronic Devices
Please turn off and put out of sight all electronic devices (other than those and when allowed) during class-time. The interruptions and/or distractions they cause disrupt class and interfere with the learning process.

Special Accommodations
Students with special needs who require reasonable modifications, special assistance, or accommodations in this course should promptly direct their request to the Disability Support Services (DSS) Office. Any student who currently has a documented disability (ADHD, Autism Spectrum Disorder, Learning, Physical, or Psychiatric) needing academic accommodations should contact the DSS Office (Daum Hall 2nd floor, 310-338-4216) as early in the semester as possible. All discussions will remain confidential. Please visit http://www.lmu.edu/dss for additional information.

Tentative Nature of the Syllabus
If necessary, the modality of the class (online/in-person), the contents of this syllabus, and the due dates for assignments are subject to the revision. Students are responsible for any changes or modifications announced or distributed in class or posted on Brightspace.

Tentative Schedule

Date	Topics	Assignment Due
Aug 30, Tue	Introduction	
Sep 1, Th	Math: Univariate and Multivariate Derivatives	
Sep 6, Tue	Chapter 2: Supply and Demand	
Sep 8, Th	Chapter 4: Consumer Behavior	Problem Set 1/ Quiz 1
Sep 13, Tue	Chapter 4: Consumer Behavior	
Sep 15, Th	Chapter 4: Consumer Behavior	Problem Set 2/ Quiz 2
Sep 20, Tue	Chapter 5: Individual and Market Demand	
Sep 22, Th	Chapter 5: Individual and Market Demand	Problem Set 3/ Quiz 3
Sep 27, Tue	Chapter 5: Individual and Market Demand	
Sep 29, Th	Chapter 6: Producer Behavior	Problem Set 4/ Quiz 4
Oct 4, Tue	Chapter 6: Producer Behavior	
Oct 6, Th		Exam 1
Oct 11, Tue	Chapter 7: Costs	
Oct 13, Th	Chapter 7: Costs	Problem Set 5/ Quiz 5
Oct 18, Tue	Chapter 8: Supply in a Competitive Market	
Oct 20, Th	Chapter 8: Supply in a Competitive Market	Problem Set 6/ Quiz 6
Oct 25, Tue	Chapter 9: Market Power and Monopoly	
Oct 27, Th	Chapter 9: Market Power and Monopoly	Problem Set 7/ Quiz 7
Nov 1, Tue	Chapter 10: Pricing Strategies for Firms with Market Power	
Nov 3, Th	Chapter 12: Game Theory	Problem Set 8/ Quiz 8
Nov 8, Tue	Chapter 12: Game Theory	
Nov 10, Th		Exam 2
Nov 15, Tue	Chapter 11: Imperfect Competition	Online Class (Synchronous)
Nov 17, Th	NO CLASS	Problem Set 9/ Quiz 9
Nov 22, Tue	Chapter 11: Imperfect Competition	Online Class (Synchronous)
Nov 24, Th	NO CLASS (Thanksgiving Break)	
Nov 29, Tue	Chapter 15: General Equilibrium	
Dec 1, Th	Chapter 17: Externalities and Public Goods	Problem Set 10/ Quiz 10
Dec 6, Tue	Chapter 17: Externalities and Public Goods	
Dec 8, Th	Chapter 16: Asymmetric Information	Problem Set 11/ Quiz 11
Dec 13, Tue, 11am		Exam 3

Course Expectations

Communication
1) I will utilize Brightspace calendar to let you know about problem sets, quizzes and exams.
2) I will respond to your e-mails within 24 hours. If I don't reply within 24 hours, feel free to email me again.
3) I will communicate with the class and individual students using campus email, so it is essential that you regularly check your lion.lmu.edu email account or the preferred email address to which you forward.
4) You are expected to login Brightspace on a daily basis, even if it is only for a few minutes. I will use Brightspace in an active manner to post materials and announcements and to post your grades. Please make sure you are subscribed to Brightspace notifications to get those announcements as emails or text messages.

Assignments and Grading
1) I will grade your problem sets, quizzes and exams within a week. I will not provide individualized feedback on your problem sets. You are expected and encouraged to check the solution manuals for the problem sets that will be posted on Brightspace. I will post solutions for the quizzes on Brightspace and provide individualized feedback on your quizzes.
2) I will use the gradebook on Brightspace to communicate your grades.

Workload
1) This course is worth 4 credit hours. You are expected to spend, on average, 9 hours per week outside of class, on assignments, readings, and studying for exams.
2) You are strongly encouraged to attend office hours and peer tutoring sessions. The material covered in this course is often challenging, and you should consider office hours and peer tutoring an additional resource to aid in your understanding.
3) During classes, please ask questions if you are confused and take notes especially for the intuition and sample problems.
4) The key to the success in this course is practice. Please practice
a. By working on the figure-it-outs we will do in class.
b. By doing the problem sets.
c. By solving the "figure it outs" in the book without looking at the answers

Masks

While there is currently no mask mandate, I invite you to consider the question of wearing a mask in this classroom in the context of LMU's Mission and Ignatian values. Our Mission's ethic of *cura personalis* (the care and education of the whole person) as individual members of a closely knit and diverse campus community complements the Jesuit ethical and moral commitments to moving through the world as people committed to solidarity and justice. Given the uneven impact of the pandemic on racialized and working class communities, these social contexts complicate what at first glance, appears to be solely an individual choice. This is the difference a Jesuit education makes.