Spring 2018 – ECONOMICS 303 – Intermediate Microeconomics

COLLEGE OF BUSINESS & ECONOMICS BOISE STATE UNIVERSITY

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Tu –Th: 10:30-11:45 Room Location – MBEB 1210

Office hours: Tuesday and Thursday 12:00 – 1:00, or by appointment
Location: MBEB 3221

Prerequisites: EC202 (Principles of Microeconomics) and Math 160 (Survey of Calculus).

Required Text: Pindyck, Rubinfeld, Microeconomics, ninth edition (other editions are acceptable). You will need a computer every day in class.

Other readings distributed by the instructor

Catalog Description: ECON 303 INTERMEDIATE MICROECONOMICS (3-0-3)(F,S,SU). An analysis of the price mechanism and its role in resource allocation, output composition, and income distribution. Topics include consumer choice and demand, theories of production and cost, and the economic performance of various market structures. The usefulness of price theory in the analysis of social problems and managerial decisions is stressed. PREREQ: Admission to COBE or Economics BA major or Business and Economic Analytics major or Economics minor, ECON 202 and MATH 160 or equivalent.

Course Description

Intermediate microeconomics analyzes the price mechanism and its role in resource allocation, output composition, and income distribution. Topics covered include consumer choice and demand, theories of production and cost, the use and pricing of inputs, and the economic performance of various market structures. The usefulness of price theory in the analysis of public policy and business decisions will be stressed throughout the course, with emphasis placed on real-world applications of the theoretical models.

Students in EC303 should achieve intermediate-level proficiency in microeconomics through studying the materials to be covered here. By the end of the semester, students should have a solid economic basis for understanding the microeconomic dimensions of business, economic, and policy issues discussed in publications such as the Wall Street Journal.

At one level, the objective of the course is technical mastery of the economic concepts outlined above. At a more fundamental level, however, each student should strive to integrate the concepts discussed in this course with his or her understanding of the economic, business, and political environment in which we live.
University Required Syllabus Statement:
Disability Accommodation
Students with disabilities needing accommodations to fully participate in this class should contact the Educational Access Center (EAC). All accommodations MUST be approved through the EAC. Please stop by Administration 114 or call 208-426-1583 to make an appointment with a disability specialist. To learn more about the accommodation process, visit our website at http://eac.boisestate.edu

COBE Required Syllabus Statements:
Statement of Shared Values Boise State University upholds the following values as the foundation for a civil and nurturing environment. Campus community members and all who are part of COBE are expected to adhere to the following values:
Academic Excellence – engage in our own learning and participate fully in the academic community’s pursuit of knowledge.
Caring – show concern for the welfare of others.
Citizenship – uphold civic virtues and duties that prescribe how we ought to behave in a self-governing community by obeying laws and policies, volunteering in the community, and staying informed on issues.
Fairness – expect equality, impartiality, openness and due process by demonstrating a balanced standard of justice without reference to individual bias.
Respect – treat people with dignity regardless of who they are and what they believe. A respectful person is attentive, listens well, treats others with consideration and doesn’t resort to intimidation, coercion or violence to persuade.
Responsibility – take charge of our choices and actions by showing accountability and not shifting blame or taking improper credit. We will pursue excellence with diligence, perseverance, and continued improvement.
Trustworthiness – demonstrate honesty in our communication and conduct while managing ourselves with integrity and reliability.

Students in this class will learn or practice the following COBE Core Curriculum concepts, methods, and skills:
1. Understand and apply analytical and disciplinary concepts and methods related to business and economics:
   1.3. Economics
   1.4. Finance
   1.6. International environment of business
2. Communicate effectively: Write messages and documents that are clear, concise, and compelling
2.2. Communicate effectively: Give oral presentations that use effective content, organization, and delivery
3. Solve problems, including unstructured problems, related to business and economics
4. Use effective teamwork and collaboration skills
5. Demonstrate appropriate principles of responsible business practices
Class Structure

Economics is beautiful, because it aims at explaining how human interactions work and what the effects of those interactions are. The class requires students to read the material before coming to class. To ensure this, part of your grading is based on in-class quizzes on the chapter of the week. For details, see the in-class quizzes section. We will generally cover one chapter per week. The first part of the first meeting of most weeks will be dedicated to a brief introduction of the main topics of the chapter. Then, the students will work in small groups or individually (according to their preference) in answering the review questions and in solving selected exercises at the end of the chapter for the rest of the week. Some questions will be discussed in class as examples. Exam questions will be mostly based on the end of chapter questions we worked on in class. Evidence show that active learning is more effective than lecturing (http://www.sciencemag.org/news/2014/05/lectures-arent-just-boring-theyre-ineffective-too-study-finds), and the study of economics requires the student to be a critical thinker, not just absorbing and regurgitating information for the test. As part of your active learning process and critical inquiry development, each student will be required to write a short applied paper and present a topic to the rest of the class. See grading section for details.

Grading: The course is demanding. Your course grade will be based on the pre-requisite exam, two in-class exams, ten in-class multiple choice quizzes, a presentation, and a final paper (all described below).

- Pre-requisite exam: 10%
- Exam 1: 20%
- Exam 2: 20%
- In-class Quizzes: 20%
- Group Project / Presentation: 10%
- Final paper: 20%

Grading

All grading is done on a 10-point scale (with decimals). Just my personal preference. To calculate your overall grade, simply use the weighted average of all your grades using the weights listed above.

Pre-requisite Exam During the First 3 Weeks of class:
This class also requires completion of a “Prerequisites Exam” explained below. The Prerequisites Exam must be taken at the Testing Center (in the Simplot Micron Bldg.) during the initial three weeks of this class. The exam will cover your knowledge of Principles of Microeconomics (ECON 202) and calculus (MATH 160) in a multiple-choice format. During this 3-week time period, you may take the exam up to three times, and your best score will be the one I record for this class.

The multiple choice Prerequisites Exam covers basic ideas of supply, demand, equilibrium conditions, elasticity and calculus. The purpose of the pretest is to help you review useful
materials from principles of microeconomics and calculus that will help you succeed in the Intermediate Microeconomics class.

Everyone is required to take this test. The test must be taken in the Testing Center located in the Simplot Micron Building, 2nd Floor, Room 213. You do not need to make an appointment to take this test. Regular hours of the Testing Center are Monday – Friday from 8 am to 8 pm. You have until Friday, January 26th, to take the pretest, and—as noted—you can have up to three tries. The test is worth 10% of the class grade, and only your highest score from all attempts will be recorded.

In-class quizzes:
The class setup requires students to read the assigned material ahead of time. Class time will be devoted to answering the study questions at the end of each chapter and expand on them as needed. You will be asked to answer questions and work out problems. To motivate you in reading the material ahead of time and coming to class, across the semester there will be 10 in-class multiple choice quizzes given unannounced on random days regarding the material of the day. There will be between 5 and 10 questions to be answered in a short period time. The quizzes are open-notes, but unless you read the material, you will not be able to answer them. The average of the best 8 out of 10 will constitute the grade. Bring a computer every day. You can only take the quiz if you are physically present in class.

Exams:
1. There will be two exams that will cover all of the material in the course. Exams will be in short answers/essay format.
2. You must take each exam in class in the allotted time unless an illness or emergency, of which you will need to notify me in writing before the exam, in which case you will have to make up the exam as soon as possible.
3. The dates for the exams are shown on the course schedule.

Group Presentation:
1. You will be required to give a brief (5-10 min) group (3 to 4 students per group) presentation on an application of one of the topics we cover in class. The deadline for group formation and topic deadline is listed below, as it the presentation schedule. Each group will be required to sign up for a presentation day/time. If a student is not present for the group presentation will receive a 0 for the assignment.
2. Each group will select the topics for the project. The topic is subject to the instructor’s approval.
3. Each group will present one of the projects of their choice. Each presentation should be about 5 to 10 minutes long, and cover the aspects of the research with appropriate visual aids. The presentation should be equally divided among group members. There will be a 5 to 10-minute Q&A time at the end. Please refer to the class schedule for presentation times.

Research Paper:
The requirements for the research paper are as follows:
1. Your paper will be a research project on a topic chosen by you, with my approval. It may deal with any aspect of microeconomics that interests you and possibly relates to your major. Because of the length limit described below, the topic chosen should be neither too narrow nor too broad.

2. Each paper is to be four to six double-spaced pages, excluding the title page, endnote page(s), bibliography, and exhibits, graphs, or charts. It must be typewritten. Please use one inch margins and number your pages. Use a standard 12-point font.

3. In preparing these papers, students are expected to supplement the assigned readings with outside research involving relevant academic literature. In addition to any other sources you use, you are required to use as references at least four to six sources including academic and research papers, journal, magazine and newspaper articles.

4. When citing an article or book within the body of your paper, you must include the date of the publication and the specific page number from which the material cited in your paper is taken (e.g., Jones 2010, p. 355).

5. Accurate documentation of your sources is required. If you obtain materials from the Internet, include full identification of the website and the source and title of the material you obtain there. Always make sure that any Internet source you are citing is credible (for example, citing sources such as Wikipedia undermine your credibility). Choose a bibliography formatting style and use it.

6. Papers will be graded on form as well as substance. Organization, spelling, punctuation, grammar, and word usage are important aspects of your written presentation that will be evaluated. Please use the COBE Writing Style Guide as your style guide in writing your research paper, and ask me if you have questions about the Guide or the issues it covers. The COBE Writing Style Guide is available at: http://cobe.boisestate.edu/COBEwritingGuide/.

7. Plagiarism is unacceptable under any circumstances and will result in a failing grade on your paper. Always use quotation marks and cite your source (including the page number) if you want to use another author's words, even if it is only a short phrase that you are using. If you have any questions about plagiarism or about correct citation methods, please come and talk with me. Note: It is not acceptable just to cite the source, without using quotation marks, if you are using another author's exact words. Quotation marks must be used to show that those exact words came from the article or book that you are citing.

8. See class schedule for due dates.

9. Late papers will be penalized at least one full grade, except in circumstances that would qualify a student to receive an "incomplete" grade in the course.

10. You will be asked to submit your paper on a word document on Blackboard.

Tips for a successful course:
- Study hard from the beginning and do not postpone reading the assigned material. Class participation is simple as long as you know what you are talking about. Make sure to study and be prepared for the first exam. It is the easiest.
- Read the assigned chapters before our class discussion of that material. Each week we will cover 1-2 chapters of the Gerber text plus selected readings as assigned by the instructor, so it is essential that you keep up with the reading. Make sure to take notes on important points as you read the text.
- Participate actively in class: ask questions; give examples from your own experience; tell me when to slow down or speed up.
- The format of the class is NOT lecture-based. It requires the students to read the material ahead of class. We will use class time to answer some of the study questions at the end of each chapter both in small group settings and as a full-class.
- Make sure your statements are supported by evidence and that the evidence is sound and properly sourced.
- The exams will address the same issues we will be discussing in class, so active participation will improve your chances to get a good grade and, most importantly, to understand the material.
- Write out detailed answers to all of the study questions discussed in class. As mentioned above, the exams will be based on these study questions. Start thinking about a subject for your paper from the beginning.
- Contact me right away if you are having trouble with any of the material.

Academic Honesty: Academic honesty is expected and required in this course, as it is throughout Boise State University. Please review BSU's policy governing academic honesty, described in the BSU Undergraduate Catalog.

Attendance: Attendance is required, advised, and very helpful. Please notify me in advance if you know that you will have to be absent.

Class Etiquette:
- Be respectful! Do not interrupt or make rude comments.
- Minimize as much as possible leaving and returning to the classroom.
- The use of laptops, iPads, etc. is allowed for note-taking and research purposes. You might, during class, be asked to look up information and data. Do not abuse this privilege.

Course Schedule / Required Readings

Classes begin January 8th

Mon Jan 15 no classes

Mon Feb 19 no classes

March 26-30 Spring break

April 27 last day of class

Week 1: Tools of Economic Analysis. Pindyck, Chap. 1 (Preliminaries).

Week 2: Pindyck, Chap. 2 (The Basics of Supply and Demand).
Week 3: Pindyck, Chap. 3 (Consumer Behavior).

Week 4: Pindyck, Chap. 4 (Individual and Market Demand).

Week 5: Pyndick, Chap. 6 (Production).

Week 6: Pyndick, Chap. 7 (The Cost of Production).

Week 7: Review. Exam I.

Week 8: Pindyck, Chap. 10 (Market Power: Monopoly and Monopsony).

Week 9: Pindyck, Chap. 12 (Monopolistic Competition and Oligopoly).

Week 10: Pindyck, Chap. 13 (Game Theory and Competitive Strategy).

Week 11: Pindyck, Chap. 17 (Markets with Asymmetric Information). Paper topics due.

Week 12: Spring Break – No Classes.

Week 13: Pindyck, Chap. 18 (Externalities and Public Goods).

Week 14: Group Presentations. Papers due Tuesday by the end of the day.

Week 15: Group Presentations.

Week 16: Review. Exam II.