Syllabus

ECON-303-005
Intermediate Microeconomics

9:00 – 10:15 am, WF, MBEB 1210
Spring 2017

Professor Dalton

Office : MBEB 3222 (Adjunct Offices)
Hours : Tu Th 9:00 – 11:00 am, or by appointment
E-mail : allendalton@boisestate.edu

PREREQUISITES
Admission to COBE, or B.A. Economics major, or B.S. Business and Economic Analytics major, or Economics minor, ECON 202 and MATH 160.

UNIVERSITY REQUIRED SYLLABUS STATEMENT:
Disability Accomodation
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.
COBE Core Objectives- ECON 303

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<tr>
<th>Students in this class will learn or practice the following COBE Core Curriculum concepts, methods, and skills:</th>
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<tr>
<td>1. Understand and apply analytical and disciplinary concepts and methods related to business and economics:</td>
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TEXTS AND STUDY MATERIALS

The required texts for this course are Price Theory and Applications: Decisions, Markets and Information, 7th edition, by Jack Hirshleifer, Amihai Glazer, and David Hirshleifer and The Origins of Virtue: Human Instincts and the Evolution of Cooperation, by Matt Ridley. Additional readings may be assigned during the course and either distributed as handouts or posted on Blackboard. Some readings are noted in the course outline.

COURSE OBJECTIVE AND OVERVIEW

The primary objective of this course is to develop the student’s ability to “think economically.” This main objective is pursued by the extension of basic economic principles, the introduction of new tools to understand economic behavior, and the application of these tools to the issues of market behavior. Emphasis is upon the economics of choice, production, exchange, competition and monopoly. Consideration will be given to the impact of legal, social, ethical, and political influences on markets.

INSTRUCTOR EXPECTATIONS OF STUDENTS AND STUDENT CONDUCT

Students are expected to arrive at class on time and be ready for learning when the class starts at the top of the hour. Sometimes unforeseen problems arise that lead to late arrival. In those circumstances, enter as quietly and unobtrusively as possible and take the available seat closest to the door you enter. Persistent late arrival or disruptive behavior upon arrival will reduce class participation points.

Students are expected to stay in class for the entire class period. It is rude and disruptive to enter and exit the classroom while the instructor is lecturing or fellow students are engaged in discussion. Students who leave and reenter will be asked to leave the class. Persistent violation will result in severe reductions in class participation points. If you must leave class early to make an appointment elsewhere, you may do so
at the mid-class break (see below), without a reduction in class participation points, if you advise the instructor before class.

Students are expected to come to class having read the appropriate readings prior to lecture and discussion. Most classes (except those where the experiments will take the entire class period) will begin with the interrogatory: “Are there any questions?” This is the student’s opportunity to ask questions over material previously covered or to raise questions about the material under current discussion, the nature of economics, or other matters related to economic learning.

While there are many informal situations when people have neither the desire, nor the right, to prescribe how others ought to behave, a college classroom requires a higher level of courtesy is exercised in ordinary public space. Everyone in a classroom is there for the purpose of learning, and no one should be able to deprive another person of the chance to learn. Expressions of rudeness and even of carelessness degrade the high purpose of learning that should be paramount in a college classroom. Your professor expects that you as a student:

- Will be courteous and attentive during class.
- Will complete the assigned work according to the class schedule, and
- Will do all your own work and will not present anyone else’s work as your own (this is also covered by the BSU Code of Conduct).

Students who do not follow these expectations may be invited to leave the class. Continued misconduct may lead to removal from the course and initiation of procedures described in the BSU Code of Conduct.

Be courteous and use appropriate language at all times. The classroom should be a learning centered environment in which the instructor and students are unhindered by disruptive behavior. Students thus are expected to maintain proper decorum in the classroom. Free exchange of ideas is certainly encouraged. However, students must adhere to the rules set forth by the instructor. Student Code of Conduct Section 2.C states:

“The classroom is not an unstructured political forum; it is the center for study and understanding of subject matter for which the faculty member has professional responsibility and institutional accountability. Control of the order and direction of class, as well as control of the scope and treatment of the subject matter, must therefore immediately rest with the individual faculty member. Faculty members and students must be free from disruption by students or others who may be in disagreement with the manner in which the faculty member discharges his/her responsibilities.”

Specific examples of disruptive behavior include:

- Monopolizing discussion or taking over the lecture
- Making hostile remarks to instructor or fellow student
- Side conversations
• Distracting behavior such as sleeping, cell phone use, laptop use for other purposes than note taking
• Otherwise interrupting the educational process

Students are encouraged to form study groups among themselves, assist one another in mastering material, and provide one another with missed notes.

If, due to time constraints, we don’t cover some assigned readings in class, that doesn’t mean that you are necessarily excused from knowing the material. The general rule is: if a reading is assigned, you are responsible for knowing it.

COMPUTERS AND CELL PHONES

Use of computers and cell (smart) phones for private use during class is disruptive for both your instructor and your classmates. Further, computer note-taking has been shown to be less helpful in retaining information than note-taking by hand. I encourage you to take notes by hand. However, I understand that they constitute an umbilical cord to the rest of the world that students are not used to doing without. Therefore, I offer this “bargain.”

Each class will divided into two 35 minute segments with a 5 minute mid-class break.

Use of computers or cell (smart) phones for private use during the 35 minute class segments is restricted. No phone usage. (Even pulling your phone out will result in you being asked to leave the class.) Computer use that attracts the attention of other students will result in you being asked to leave the class.

During the 5 minute mid-class break, you may use your computers and cell (smart) phones, leave the class and return. When the second 35 minute class segment starts everyone must be “ready to go.” If you aren’t, you’ll be asked to leave.

GRADING

The final course grade will be based upon

(1) Economics 303 Prerequisite Test worth 150 points;
(2) Nine highest problem sets (33 points each) worth 300 points total;
(3) Four exams worth 150 points each (600 points total);
(4) Book review worth 150 points;
(5) Vernon Smith Lecture attendance worth 100 points; and
(6) Class participation worth 100 points;

Total graded points are 1400. The following grading scale will be used:

A+ 1351 – 1400 points  C+ 1071 – 1112 points
A  1253 – 1350 points  C  973 – 1070 points
B+ 1211 – 1252 points  D  833 – 972 points
B  1113 – 1210 points  F  0 – 832 points
ECON 303 PREREQUISITE TEST
Very early in the semester, there will be a multiple choice test covering 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. This is a Departmental requirement. This test must be taken in the Testing Center located on the 2nd floor of the Simplot Micron Bldg; room E213. You do not need to make an appointment to take this test. Regular hours of the Testing Center are Monday – Friday from 8 a.m. to 8 p.m. You have until January 27 to take the pretest and can have up to three tries. The test is worth 150 points (10.7%) of the class grade and only your highest score from all attempts will be recorded.

The Department of Economics is offering “boot camp” sessions during the first three weeks of the semester to help you prepare for this test and review important concepts to be successful in ECON 303. Attendance to the boot camp sessions is optional. The schedule for these sessions will be announced in class.

Please see the Microeconomics Review slides posted on Blackboard. These slides cover many of these prerequisite materials for your review. In addition, the Department recommends you check out the following link in Khan Academy that covers these concepts in short videos: https://www.khanacademy.org/economics-finance-domain/microeconomics/supply-demand-equilibrium

PROBLEM SETS
Approximately each week a problem set will be assigned. Each assignment will be worth 33 points. The lowest score will be dropped in calculating the total points for the final grade. Problem sets may be turned in as either hard copy or electronically in either pdf or word document form. **Electronic submissions in any other form will have points subtracted.** Tentative due dates are January 18, 25, February 8, 15, 22, March 15, 29, April 14, 19, 26.

EXAMS
Four exams will be given during the course. The dates for the first three exams are tentative. Each exam is worth 150 points, and will consist of short answer questions over material since the beginning of class (that means that each exam is cumulative). Each exam will cover material from lectures and readings.

Tentative exam dates for the first three exams are February 1, February 24, April 5, and the fourth exam will be given during the scheduled final exam period, **Friday, May 5, 10 am - noon.**

BOOK REVIEW
The book review is worth 150 points toward your final grade. The review may be over any economics or related book that meets the approval of the instructor. Students should submit the title, author, publisher, and publication date of the book to be reviewed via email to the instructor no later than midnight **Friday, February 3.** The instructor may require the student to
physically present the book proposed for review if there exists a question as to the appropriateness of the book.

Books are not to be textbooks. The book should be related to microeconomics. I’ve read too many reviews of Freakonomics and Super-Freakonomics, so neither of those books may be chosen. Some suggested books are listed at the end of this section. **No more than 3 reviews of the same book will be accepted. If you have a particular book in mind, submit it as early as possible.**

The review should give evidence that the entire book has been read. The review should address the major idea(s) of the book and the review should include the student’s own evaluation and recommendation concerning the book, with supporting reasoning. See the guidelines for grading I use on term papers on Blackboard – “Guidelines for Term Paper Grading.”

The review is to be double-spaced, typed, and in font size no larger than 12. Margins should be 1” on top, bottom, and both sides. This paper should have a cover page indicating your name, the title and author of the book; an end-note page; and a bibliography page; the paper should be eight to ten pages in length (excluding title, end-note and bibliography). It is to be submitted as a hard copy and as a word file or pdf file, mailed to the instructor’s email address. The review is due **Friday, March 31.**

**Examples of Appropriate Books**

**Classics**
Cantillon, *Essay on the Nature of Commerce in General*
Turgot, *Reflections on the Formation and Distribution of Riches*
Smith, *The Wealth of Nations*

**History of Economics**
Milgate & Stimson, *After Adam Smith*
Force, *Self-interest before Adam Smith*

**Popular Economics**
Cowen, *Discover Your Inner Economist*
Cowen, *An Economist Goes to Lunch*
Frank, *The Economic Naturalist*
Harford, *The Undercover Economist*
Harford, *The Logic of Life*
Landsburg, *The Armchair Economist*
Landsburg, *More Sex is Safer Sex*
Ridley, *The Rational Optimist*
Seabright, *The Company of Strangers*
Becker & Posner, *Uncommon Sense*
McKenzie, *Why Popcorn Costs So Much at the Movies*
Ormerod, *Why Most Things Fail*
Ormerod, *Butterfly Economics*
Whitman and Dow, *Economics of the Undead*
Hall, *Homer Economicus*
Rose, *The Moral Foundation of Economic Behavior*

**ADAM SMITH LECTURE**
Vernon Smith, the 2002 Nobel Laureate in Economics, will be the inaugural Adam Smith Lecturer, sponsored by the Department of Economics. He will speak at the Simplot Ballroom of the Student Union on *Tuesday, March 28 at 6 pm*. Attendance is required, and earns 100 points.

**CLASS PARTICIPATION**
Participation in classroom discussion is encouraged and expected. Ask questions. Respond to questions. Be engaged. See [Getting an “A” in Class Participation](#) on Blackboard.

**AUTHORIZED “EXTRA-CREDIT” OPPORTUNITIES**
The university experience is meant to broaden your horizons and challenge your preconceived notions. A maximum of two extra credit opportunities, each worth 25 points, may be applied to your points.

Three such opportunities will be available for the Spring 2017 semester. Two of the three opportunities have been identified:

CSMA Spring Lecture at NNU: Thursday, February 9
- Professor Barry Asmus, Formerly Boise State Economics Association Speaker: Thursday, April 20, 7 pm.
  - Professor Chiara Piovani, University of Denver

Additional details for these lectures, as well as the additional “extra credit” opportunities, will be announced in class. I am willing to consider student suggested extra credit opportunities; if you discover another opportunity – *on-campus* – I will offer extra credit, if you bring it to my attention at least 2 weeks before the scheduled presentation.

**MAKE-UP POLICY**
If you happen to be sick on the day a problem set is handed out, you may download it from Blackboard. Problem sets may always be turned in via email. Make-ups of exams will only be granted if the instructor is contacted by email prior to the start of the class period when the exam is held, and appropriate documentation is provided.

**GENERAL POLICIES**
1. There are *no* extra credit projects beyond the authorized lectures noted above.
2. An incomplete will be allowed for the class only if a 70% or better average is achieved through the problem set due on April 19. To receive an incomplete requires the completion of a contract with a date certain for completion of class requirements.
3. Withdrawal from class is the responsibility of the student.
SUMMARY OF IMPORTANT DATES

Wednesday, January 18 – 1st Problem Set due
Wednesday, January 25 – 2nd Problem Set due
Wednesday, February 1 – First Exam
Friday, February 3 – Book selection for Book Review due
Wednesday, February 8 – 3rd Problem Set due
Wednesday, February 15 – 4th Problem Set due
Wednesday, February 22 – 5th Problem Set due
Friday, February 24 – Second Exam
Wednesday, March 15 – 6th Problem Set due
Tuesday, March 28, 6 pm – Adam Smith Lecture: Prof. Vernon Smith
Wednesday, March 29 – 7th Problem Set due
Friday, March 31 – Book Review due
Wednesday, April 5 – Third Exam
Friday, April 14 – 8th Problem Set due
Wednesday, April 19 - 9th Problem Set due
Thursday, April 20 – Extra Credit: Prof. Chiara Piovani
Wednesday, April 26 – 10th Problem Set due
Friday, May 5 – Final Exam; 10 am - noon

COURSE OUTLINE
(H = Hirshleifer, Glazer and Hirshleifer)

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<th>Topic</th>
<th>Text/Reading</th>
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<tr>
<td><strong>Beginnings</strong></td>
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<tr>
<td>Principles Review</td>
<td>H, ch. 2 and ch. 5, pp. 127-142</td>
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<tr>
<td>Economics as a Field of Study</td>
<td>H, ch. 1 and Kling, “Filling in Frameworks”</td>
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<tr>
<td><strong>Basic Tools</strong></td>
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<tr>
<td>Utility and Preference</td>
<td>H, ch. 3</td>
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<tr>
<td>Utility Maximization and Demand</td>
<td>H, ch. 4</td>
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<tr>
<td>Costs and Profit-Maximizing Firms</td>
<td>H, ch. 6</td>
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<tr>
<td>Competitive Industry Equilibrium</td>
<td>Alchian, “Costs and Outputs”</td>
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<td><strong>Extensions</strong></td>
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<tr>
<td>Exchange, Transactions Costs, and Money</td>
<td>H, ch. 14</td>
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<td>Welfare Economics</td>
<td>H, ch. 16</td>
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<td>Coase, “The Problem of Social Cost”</td>
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<td>Monopoly and Cartels</td>
<td>H, ch. 8</td>
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<td>Competition Among the Few</td>
<td>H, ch.10</td>
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<td>Government and Politics</td>
<td>H, ch. 17</td>
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<td>Buchanan, “Politics, Policy and the</td>
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<td>Pigouvian Margins”</td>
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<td>Topic</td>
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<td><strong>Social Foundations of Markets</strong></td>
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<td>The Origins of Virtue</td>
<td>Ridley</td>
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<td><strong>If We Have Time</strong></td>
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<td>Economics of Time</td>
<td>H, ch. 15</td>
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<td>Uncertainty, Risk and Information</td>
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<td>Product Quality and Variety</td>
<td>H, ch. 9</td>
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<td>Demand for Resources</td>
<td>H, ch. 12</td>
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<tr>
<td>Resource Supply and Market Equilibrium</td>
<td>H, ch. 13</td>
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