COLORADO STATE UNIVERSITY
ECONOMICS 306: MICROECONOMIC THEORY
Fall 2017

Section 001: TuTh 12:30PM – 1:45PM, Eddy 5

Section 002: TuTh 2:00PM – 3:15PM Clark C363

Instructor: Dr. Li, Hsueh-Hsiang
Office: C320 Clark Building
E-Mail: hsueh-hsiang.li@colostate.edu
Phone: 491-6305 (Office)

Office Hours (starts Week 2):

Instructor:
Tuesdays 3:15 PM – 4:15 PM at Clark C320
Thursdays 11 AM – 12 PM at Clark C320

Teaching Assistants:
Sissi Dong (sissidwy@rams.colostate.edu) Wednesdays 9 – 10 AM (location: TBD)
Katherine Salemo (Kate.Salemo@rams.colostate.edu) Wednesdays 2 – 3 PM (location: TBD)

Final exam week: TBA

Course Website: log in at http://info.canvas.colostate.edu/login.aspx

Course Description

The course in intermediate microeconomics is one of the core economic theory courses for economics majors. The objective of the course is for students to develop competence in applying microeconomic models to explain economic decision-making by individuals and firms, how market allocate resources, how the structure of markets affects choices and social welfare, and the ways that government intervention can improve or impair the functioning of markets. Real world examples and current issues are used to illustrate concepts and to strengthen understanding of the theoretical material. Students will be trained to think critically of social and economic phenomena through the lens of economics.

This course consists of a variety of approaches that help students develop analytical skills to apply microeconomics theory in examples using graphical and mathematical techniques. The face-to-face lectures introduce students to the theoretical foundation of
economics, the weekly online homework assignments provide students the opportunity to get feedback while they review the material, and the group assignments allow students to develop teamwork and leadership skills while working with their peers outside of the class.

**Prerequisites**

Prerequisites for this course are principles of microeconomics and of macroeconomics (ECON202/AREC 202 and ECON 204) AND basic calculus (MATH 141, 155, or 160), or the equivalent to these courses taken at a different university.

**Required Text, MyEconLab, and Course Material**

*Microeconomics by R.S. Pindyck and D.L. Rubinfeld (8th ed) with MyEconLab (“P&R”).* Students are expected to read the chapter(s) and other material assigned through Canvas before the class.

We will use MyEconLab for this course. MyEconLab is an online product that contains an electronic version of the textbook and online homework. You can purchase the online access at the bookstore with your book or directly from Pearson.com (http://www.mypearsonstore.com/bookstore/microeconomics-plus-myeconlab-with-pearson-etext-access-0134674553). Register on MyEconLab through the link on Canvas. The instructions for registration are provided in the separate document “MyLab & Mastering for Canvas” on Canvas. Make sure you use your school email to register so the grades can be transferred directly from MyEconLab to Canvas. There are total 12 MyEconLab assignments throughout the semester. A temporary 14-day access to MyEconLab is automatically given from the day you register. If you are considering dropping this course, do not make any payment until you make the final decision. If your payment is not received by the end of this 14-day period you will not be able to access the site.

**Course Assignments, Grades, Attendance and Class Participation:**

Grading will be based on 12 homework assignments, 3 group assignments, 2 midterms, and a final exam in the percentages specified below.

1. **Homework Assignments:**

You will complete 12 homework assignments using MyEconLab, an online study resource that comes with your book purchase. This is a tool to assist your understanding and prepare you for exams. MyEconLab homeworks are completed entirely online and will always be due by the end of the following Wednesday (11:59AM on Wednesdays) and will be available no later than the end of Thursday before the due date. You have two trials to answer each of the questions. Only the highest 10 (out of 12) MyEconLab assignments will be counted towards your grade. Late homework assignments receive 20% less of the credits for the delay.
2. Group Assignments:

Students shall form their own study groups by the end of the second week. Each group shall consist of no more than 4 students. Once your groups are formed, a representative of your group shall send me the list of your members. Three group problem-solving assignments will be given throughout the semester. These assignments consist of mathematical and graphical problems mostly from material already covered in lectures. I also reserve the right and discretion of assigning more challenging analytical essay problems as the class progresses.

Group work is beneficial to all regardless whether you are the stronger student who has to explain a lot or the weaker student in your group who asks most questions. Sharing one’s understanding with others is the best way to learn—when students can articulate what you learn from a class to others, you show full understanding of the material. That knowledge stays with you and helps you process complicated information with deeper comprehension. Collaboration also helps develop your teamwork skills that will be highly valuable for your future career.

The group assignments have firm due dates. The assignment will be available no later than one week before the due date. Each group will turn in ONE group solution in the beginning of the class on the due date. Late group solutions will not be accepted. To ensure active participation in group-works, the percentage of grades received by individuals depend on your contribution and the majority votes by your group members. If your group assignment received 90 points, but you failed to participate and the majority of the members in your group voted that you should receive 0%, your grade of the group assignment will be 0. If your group has four (three) members, the majority rule require 3 (2) votes.

3. Exams:

The format of the exams may include multiple choice, problem solving, and conceptual short essay of questions drawn from the textbook, lectures, and reading assignments. There are no early or make up exams with exceptions for University approved activities or documented illness or family emergencies. A student arriving late to an exam session will be allowed to take the exam in the remaining time, so long as the student does not arrive after other examinees have left. In case of documented illness, family emergency or university-excused absence, you may reschedule an exam within one week of the exam date. If rescheduling cannot be arranged within one week of the exam date, the remaining midterm and final exams will be re-weighted.

4. Attendance and Classroom Participation

Class attendance is important! All of your assignments rely heavily on material and discussion covered in class as well as assigned chapters. Coming regularly to class will have a positive effect on your overall grade. To encourage attendance, I will take attendance in class randomly through the semester. You will receive an extra 1% credit on the course grade for full attendance. Considering any unexpected life events
(including any university-excused absence) that may prevent you from attending the class, I will drop two of the roll calls you missed at the end of the semester. If your final grade is 89%, with the full attendance credit, you will receive a 90% for the course.

Questions, comments, and active discussion are strongly encouraged in the class. To encourage your active participation in the class, I will award an extra 1% credit to students who participated actively in at least 15 class sessions throughout the semester.

5. Grades:

Weekly homework assignments: 20%
Group assignments: 20%
First midterm: 20%
Second midterm: 20%
Final Exam: 20%
Extra credit for attendance and class participation: up to 2% in total.

Grading Scale: Letter Grade Percentage Points

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Above 93</td>
</tr>
<tr>
<td>A-</td>
<td>90 – 92.9</td>
</tr>
<tr>
<td>B+</td>
<td>87 – 89.9</td>
</tr>
<tr>
<td>B</td>
<td>83 – 86.9</td>
</tr>
<tr>
<td>B-</td>
<td>80 – 82.9</td>
</tr>
<tr>
<td>C+</td>
<td>77 – 79.9</td>
</tr>
<tr>
<td>C</td>
<td>67 – 76.9</td>
</tr>
<tr>
<td>D</td>
<td>60 – 66.9</td>
</tr>
<tr>
<td>F</td>
<td>Below 60</td>
</tr>
</tbody>
</table>

The instructor reserves the right to lower the number of points required for any grade.

Expected Weekly Work Hours

Average weekly hours required for taking this course over the semester:
Lectures/Class meetings: 3 hours
Reading: 3 hours
Preparation for exams: 1 hour
Weekly homework assignments: 1 hour
Group assignments: 1 hour
Total: 9 hours

Accommodations for Students with Disabilities

Students requesting special accommodations should contact Resources for Disabled Students (RDS) at 970-491-6385. Special accommodations for exams will not be granted without pre-approval from RDS. If this applies to you, please make arrangements and
contact me immediately so I can provide accommodations to facilitate your learning.

**Academic Integrity**

This course will adhere to the Academic Integrity Policy of the General Catalog and the Student Conduct Code. As per university policy, "Any student found responsible for having engaged in academic dishonesty will be subject to academic penalty and/or University disciplinary action." (*General Catalog 2011-2012*, 1.6, p.7). Any academic dishonesty in this course may result in a grade of "F" for the course and may be reported to the Office of Conflict Resolution and Student Conduct Services.

The General Catalog specifically identifies the following examples of academic dishonesty: cheating in the classroom, plagiarism, unauthorized possession or disposition of academic materials, falsification, and facilitation of cases of academic dishonesty. Plagiarism is defined as follows:

"Plagiarism includes the copying of language, structure, ideas, or thoughts of another, and representing them as one's own without proper acknowledgment. Examples include a submission of purchased research papers as one's own work; paraphrasing and/or quoting material without properly documenting the source." (*General Catalog 2011-2012*, 1.6, p. 7).

**Grievance Procedure**

Colorado State University has developed a grievance procedure by which students may file complaints about a course or an instructor. Students are encouraged to resolve any concerns informally by contacting their instructor within ten (10) business days of the initial complaint or the complaint/grievance will be deemed untimely. If an informal resolution cannot be reached, students should contact their advisor for further assistance.

**Title IX Policy and Resources:**

CSU’s Discrimination, Harassment, Sexual Harassment, Sexual Misconduct, Domestic Violence, Dating Violence, Stalking, and Retaliation policy designates faculty and employees of the University as “Responsible Employees.” This designation is consistent with federal law and guidance, and requires faculty to report information regarding students who may have experienced any form of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation. This includes information shared with faculty in person, electronic communications or in class assignments. As “Responsible Employees,” faculty may refer students to campus resources (see below), together with informing the Office of Support and Safety Assessment to help ensure student safety and welfare. Information regarding sexual harassment, sexual misconduct, relationship violence, stalking and retaliation is treated with the greatest degree of confidentiality possible while also ensuring student and campus safety.
Any student who may be the victim of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation is encouraged to report to CSU through one or more of the following resources:

- Emergency Response 911
- Deputy Title IX Coordinator/Office of Support and Safety Assessment (970) 491-1350
- Colorado State University Police Department (non-emergency) (970) 491-6425

For counseling support and assistance, please see the CSU Health Network, which includes a variety of counseling services that can be accessed at: [http://www.health.colostate.edu/](http://www.health.colostate.edu/). And, the Sexual Assault Victim Assistance Team is a confidential student resource that does not have a reporting requirement and that can be of great help to students who have experienced sexual assault. The web address is [http://www.wgac.colostate.edu/need-help-support](http://www.wgac.colostate.edu/need-help-support).

**Class Policies:**

In general, you should attend the specific section for which you are enrolled. If for some unexpected reasons that prevent you from going to your own section on a particular day, you may attend the other section. If seating becomes an issue, priority for seats will be given to those who are registered for that particular section. For group discussions, final project presentation, and exams, however, you MUST attend the section for which you are enrolled.

To provide a class environment where students can focus on learning, I will not tolerate any form of disruptive in-classroom behavior. Please refrain from carrying on conversation with your classmates, texting messages, reading newspapers, or conducting any disruptive behavior while the instructor or any student, or invited guest, is speaking to the class. Please silence your cell phone during the class meetings. Also, if you must occasionally arrive to class late or leave early, please enter and leave in a non-disrupting manner.

If you are having any problems with the course, please bring these problems to my attention. The sooner you come for help, the better. Please use your judgment in asking questions via email; if you think a question will take more than one exchange or is algebraically or graphically involved, it would be best for you to meet me in person during my office hours.
**Course Outline**

Reading Assignment (References to chapters in P&R):

Week 1: Math review, Preliminaries Ch. 1, Supply and Demand Ch. 2 (8/24)

Week 2: Consumer Behavior Ch. 3 (8/31)

Week 3: Individual and Market Demand Ch. 4 (9/7)

Week 4: Production Ch. 6
  Group assignment #1 due on 9/14/2017 (9/14)

Week 5: Cost of Production Ch. 7.1
  Review Ch. 1—Ch. 4
  **Midterm #1: 9/21/2017 (Ch. 1—Ch. 4) (9/21)**

Week 6: Midterm #1 Q&A
  Cost of Production Ch. 7.2—Ch. 7.5 (9/28)

Week 7: Profit Maximization and Competitive Supply Ch. 8 (10/5)

Week 8: The Analysis of Competitive Markets Ch. 9 (10/12)

Week 9: Monopoly and Monopsony Ch. 10
  Group assignment #2 due on 10/19/2017 (10/19)

Week 10: Pricing with Market Power Ch. 11.1—Ch. 11.2
  Review Ch. 6—Ch. 9
  **Midterm #2: 10/26/2017 (Ch. 6—Ch. 9) (10/26)**

Week 11: Midterm #2 Q&A
  Monopolistic Competition and Oligopoly Ch. 12 (11/2)

Week 12: Game Theory Ch. 13 (11/9)

Week 13: General Equilibrium and Economic Efficiency Ch. 16 (11/16)

Week 14: Fall recess (11/23)

Week 15: Markets with Asymmetric Information Ch. 17.1—Ch. 17.4
  Group assignment #3 due on 11/30/2017

Week 16: Externalities and Public Goods Ch. 18.1, 18.2, 18.4, and 18.6 if time allows

**Final Exam:**

Section 001: 12/13/2017 (Wednesday 6:20 – 8:20PM)

Section 002: 12/14/2017 (Thursday 2:00 – 4:00PM)