INTERMEDIATE MICROECONOMIC THEORY (ECON 3070-020 AND 3070-030)
Department of Economics, University of Colorado
Spring 2020

Professor: Charles de Bartolome   Recitation instructor:
Office hours: M 2:00-2:50 pm; Tu 1:30-2:30pm   Recitation time:
            F 2:00 - 2:50pm.   Recitation place:
Office: Econ 203.   Recitation office hours:
e-mail: charles.debartolome@colorado.edu   Office:

Textbook: Austan Goolsbee, Steven Levitt and Chad Syverson, (2020), *Microeconomics*
           (3rd Edition) WITH SAPLING ACCESSS. Worth Publishers.

           Buying textbooks is expensive. I recommend that you do NOT buy the textbook
           and Sapling Access separately. It is almost-always much cheaper to buy a bundle
           of the textbook plus Sapling Access than to buy these two products separately. I
           have negotiated with Worth Publishers for a competitive price, so I recommend
           that you buy the bundle at the CU Bookstore.

           When you have bought the textbook with Sapling Access, you need to register
           your Sapling access code WHILE INSIDE the course's website on Canvas.
           Do NOT register your code on the MacMillan or Sapling websites.

           For instructions on how to register the access code within Canvas:
           Go to the course website on Canvas.
           Click on module MacMillan Learning,
                  then on the sub-module: Student Registration - Start Here

Sapling Learning:
           Each student must enroll in Sapling Learning which contains two electronic
           learning systems: (2) Learning Curve is a weekly assignment which is designed to
           encourage you to read the material before class and (2) End of Chapter Problem
           Set is a set of problems on material after it has been covered in class. Both
           activities are graded.

           Learning Curve assignments are posted on Thursdays at 4pm and are due on the
           following Wednesday at 10am. The first Learning Curve assignment is for
           practice only and is due at 10am on W

earning

"Clickers"

Attendance at class:

The final exam will be held as:

FINAL: For Section 20: Sunday 3 May 7:30-9:00pm
Location: ECON 119

For Section 30: Monday 4 May 4:30 - 7:00 pm
Location: ECON 119

You must bring three blue-books to each exam.

Failure to be present at an exam:

If you fail to be present at an exam (unless you are ill and have a medical note from your doctor, or unless before the exam I have granted you permission to take a make-up exam), you will earn a score of 0 in the exam.

Grading: There are two midterm exams, a final exam, in-class clicker questions, assignments associaated with LaunchPad, and recitations. The grade of the student will be determined as:

- 22%   First Midterm,
- 26%   Second Midterm,
- 27%   Final
- 8%   In-class clicker questions
- 8%   Learning Curve/End of Chapter Problem Sets
- 9%   Recitations

Concerning in-class clicker questions. I use clicker questions to reinforce the main point of a lecture. A correct answer receives 1 point and an absence or an incorrect answer receives zero points.

In calculating your total score for all in-class clicker questions, I will sum your scores for all days, omitting your three lowest daily scores.

Concerning recitations: At the recitation, you are required to hand in an answer to the Recitation Problem Set which show evidence of effort (your answer need not be correct). If you are present and if your answer shows evidence of effort, you will receive a score of 1 for that week. If you are not present at the recitation and do not hand in an answer, you will receive a score of zero for that week. Your recitation leader will determine how you will be treated if (1) you are present but the answer which you hand in shows no evidence of effort or if (2) you are not present but submit in advance to your recitation leader an answer showing evidence of effort. You may not ask somebody else to hand in an answer on your behalf.

In calculating your total score for recitations, I will omit your two lowest weekly scores.

Classroom courtesy:

Please turn your cell 'phone off prior to the start of class.

I believe that learning is enhanced if there is full concentration by both the instructor and the student. Therefore, usage of laptop computers in class is restricted to following the course notes. To facilitate this, laptops may only be used in the front two rows of the classroom.

Drop-in Tutorial Lab:

The Department of Economics provides a free drop-in tutorial lab for undergraduates enrolled in Economics 3070 and other courses.
Information about the lab is available at:
www.colorado.edu/Economics > undergraduate > drop-in tutorial lab

Tutors:

The Department of Economics keeps a list of tutors. Please contact the department's Main Office if you would like to review the list. The Main Office is in Room 212 in the Economics Building.

Accommodations for Disabilities:

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to me in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the Disability Services website. Contact Disability Services at 303-492-8671 or

important with respect to individuals and topics dealing with race, color, national origin, sex, preg

COURSE OUTLINE

Date	Topic	Section
Date	*Topic*	*Section*

13 Jan   INTRODUCTION   1.1, 1.2
Scarcity and Markets   pp. 11-12
Normative and Positive

15 Jan   REVIEW   2
Rationality
Marginal Analysis
Decision-Making using Marginal Analysis
Use of Models

1. HOUSEHOLDS

17, 22, 24 Jan   REPRESENTING TASTES
Utility   4.1
- marginal utility
- diminishing marginal utility
Indifference Curves   4.2
- marginal rate of substitution
- bowed-in
Ordinal or cardinal?
Substitution and Income effects
New Welfare Economics

27 Jan   BUDGET LINE   4.3

29 Jan   CHOICE AND QUANTITY DEMANDED
Review: Rationality
Individual consumer choice   4.4, 4.Appendix (pp. 130-132)
- rule: "marginal rate of substitution = good price ratio"

2. FIRMS

24, 26, 28 Feb	PRODUCTION	
	Production Function	6.1, 6.2, 6.3
	- marginal product	
	- diminishing marginal product	
	Iso-quant	6.4 (pp. 189-193)
	Marginal rate of technical substitution	
	Returns to scale	6.5
	Short-run and long-run	6.2
	Short-run production	6.3

2 Mar	CHOOSI&1bD@n

3. "MARKET" INTERACTIONS: HOUSEHOLDS AND FIRMS TOGETHER

13, 16 Mar	THE BENCHMARK	
	Producer Surplus	3.1
	Net Benefit Created = Consumer Surplus + Producer Surplus	
	The Planner	
	Maximum Possible Net Benefit Created (Efficiency)	

18 Mar	In-class review	
	7 - 9 pm SECOND MIDTERM	

30 Mar, 1 Apr	THE BENCHMARK (CONT.)	
	Deadweight loss	
	Equity Concerns	

3, 6, 8 Apr	"MARKET" IS MONOPOLY	
	Market Power	9.1
	Marginal revenue	9.2, pp. 335-338
	- downward sloping	
	Choosing quantity to maximize profit	9.3, pp 334-335
	- rule: "marginal revenue = marginal cost"	
	Comparative statics	9.4
	Well-being lost with monopoly	9.5
	Barriers to entry	
	Government regulation	9.6

10, 13 Apr	STRATEGIC ANALYSIS: GAME THEORY	
	Game	12.1 (pp. 419-421)
	Extensive Form	
	Information Set	
	Strategy	
	Normal Form	
	Nash Equilibrium	12.2 (pp. 423-429)

15, 17 Apr	"MARKET" = DUOPOLY	
	Cournot Quantity Competition	11.4
	Welfare properties of duopolistic markets	

20, 22 Apr	"MARKET" = OLIGOPOLY AND MARKET ENTRY	
	Perfect competition as a sequence of successful entries	

24 Apr	"MARKET" = COMPETITIVE MARKET	
	Price-taking	8.1, 8.2
	Firm's choice of quantity to maximize profit	
	- rule: "marginal cost = price"	
	Short-run: fixed number of firms	2.3, 2.4, 8.3
	Short-run supply curve	
	Short-run equilibrium	
	Short-run producer surplus	
	Long-run: firms enter and exit: firm number variable	8.4
	Long-run equilibrium	
	Long-run supply curve	
	Long-run producer surplus	
27 Apr	NORMATIVE PROPERTIES OF COMPETITIVE EQUILIBRIA	
	Why are long-run competitive equilibria so good.	
	First Fundamental Welfare Theorem.	
29 Apr	LABOR MARKETS	
	Demand for labor	
	- rule: "VMPL = wage"	
	Consumer and producer surplus in competitive market	
3 May	SECTION 20: 7:30 - 10:00 pm: FINAL EXAM in ECON 119	
4 May	SECTION 30: 4:30-7:00 pm: FINAL EXAM in ECON 119	