



Economics 302: Intermediate Microeconomics Theory

Spring Semester 2017

Sellinger Hall 203

Mondays and Wednesdays 3:00PM - 4:15PM

Instructor: Dr. Kerry Tan

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Office Hour: Mondays and Wednesdays 2:00PM - 3:00PM, or by appointment

Course Website: <http://moodle.loyola.edu/>

Lecture slides, homework assignments, and other course-related material will be posted on the course website.

Course Overview:

This is a course in microeconomic theory. It builds on topics covered in Microeconomic Principles (EC 102) and analyzes these topics in greater depth through the use of Calculus-based optimization techniques. Topics covered include the motives, constraints, and behavior of consumers and producers, the foundation of supply and demand analysis, cost analysis, pricing strategies, and refinements of these foundations under different market structures and regulation environments.

We will also cover recent developments in microeconomics such as:

- The economics of information
- Game theory and its applications to market structures, such as perfect competition, monopolistic competition, oligopoly, and monopoly
- Behavioral economics and consumer preferences

Required Textbook:

Robert Frank

Microeconomics and Behavior (9th Edition), McGraw-Hill/Irwin (2014)

ISBN: 9780078021695

Note: Earlier editions are acceptable since they are all pretty much the same. Page numbers may differ with other editions, but we can work that out.

Course Prerequisites:

This course comes with three prerequisites: 1) Microeconomic Principles (EC 102), 2) Macroeconomic Principles (EC 103), and 3) either Applied Calculus (MA 151) or Calculus I (MA 251). I will assume that you are competent in topics covered in these courses and will not review any material that was taught to you in these classes. If you have not taken these courses, then I strongly encourage you to do so before taking this class. If you have taken these classes, but do not remember the material taught in these courses, then please begin reviewing the material (pre-calculus, calculus I, and introductory microeconomics) immediately.

Grading Policy:

Grades for this course will be assigned as follows:

Midterm 1 Exam: 20% (February 20)

Midterm 2 Exam: 20% (March 29)

Cumulative Final Exam: 30% (May 5)

Homework Assignments: 20%

Attendance: 10%

Exams:

There will be two midterm exams and a cumulative final exam. Midterm 1 will only cover Chapters 2, 3, 4, and 5. Midterm 2 will only cover Chapters 6, 7, 8, and 9. The cumulative Final Exam will cover all of the aforementioned chapters, as well as Chapters 10, 11, and 12.

Makeup exams will *not* be given without documented medical emergency or family emergency. Travel plans are *not* an emergency. It is your responsibility to plan around scheduled exam times.

Homework Assignments:

Six homework assignments will be assigned in this course. The homework (and solutions) will be posted on the course website. Each homework assignment will be worth 20 points and will be graded based on accuracy. Students are encouraged to collaborate in small groups, but each student must turn in his or her own assignment. Students must hand in their homework in class on the assigned due date. No late homework will be accepted without a valid excuse.

Attendance:

At the end of each lecture, you will fill out a survey that provides immediate feedback on that day's lecture. You are allowed up to 2 unexcused absences and still get a perfect attendance grade. You will get attendance credit for excused absences conditional on providing relevant documentation.

Grading Scale:

Generally, final letter grades will follow the typical structure of: A (93-100), A- (90-92.99), B+ (87-89.99), B (83-86.99), B- (80-82.99), C+ (77-79.99), C (73-76.99), C- (70-72.99), D+ (67-69.99), D (60-66.99), and F (below 60). However, this breakdown is not set in stone and can vary according to the distribution of raw grades.

Re-grade policy:

If I miscalculated the total number of points you earned, then you can return the exam and/or homework assignment to me and I will recalculate your grade. However, if you believe that I erred in grading your exam and/or homework assignment for any other reason, then you must hand-deliver your original exam and/or homework assignment along with a typed document that outlines the following for each problem that you request to be re-graded: 1) how many points I gave you, 2) how many points you feel you deserve, and 3) a detailed explanation why you feel that you deserve more points than you received. I reserve the right to reject your request.

Students with Disabilities:

To request academic accommodations due to a disability, please contact Disability Support Services (DSS), which is located in Newman Towers West 107, at DSS@loyola.edu or call (410) 617-2750 ext. 2062. If you already registered with DSS and requested an accommodations letter (and DSS has sent the letter to your professors via email), please schedule a brief meeting to discuss the accommodations you might need in this class.

Academic Misconduct:

All students are expected to understand the meaning of the Loyola Honor Code, which states:

“All students of the Loyola Community have been equally entrusted by their peers to conduct themselves honestly on all academic assignments.

The students of this University understand that having collective and individual responsibility for the ethical welfare of their peers exemplifies a commitment to the community. Students who submit materials that are the products of their own minds demonstrate respect for themselves and the community in which they study.”

Ignorance of the Code is not a valid reason for committing an act of academic dishonesty. The following constitute violations of the Code: cheating, stealing, lying, forgery, plagiarism, and the failure to report a violation. Violations of the Honor Code will be handled by the Honor Council.

Tentative Schedule:

Date	Chapter Covered
Jan. 18, 23	Ch 2: Supply and Demand
Jan. 23, 25, 30	Ch 3: Rational Consumer Choice
Feb. 1, 6	Ch 4: Individual and Market Demand
Feb. 8, 13	Ch 5: Applications of Rational Choice and Demand Theories <i>(Sellinger Online Week: February 8 is synchronous)</i>
Feb. 15	Review for Midterm 1 Exam
Feb. 20	MIDTERM 1 EXAM
Feb. 22, 27	Ch 6: The Economics of Information and Choice Under Uncertainty
Mar. 1	Ch 7: Departures from Standard Rational Choice Models
Mar. 6, 8	No Classes: Spring Break
Mar. 13, 15	Ch 8: Production
Mar. 20, 22	Ch 9: Costs
Mar. 27	Review for Midterm 2 Exam
Mar. 29	MIDTERM 2 EXAM
Apr. 3, 5	Ch 10: Perfect Competition
Apr. 10, 12	Ch 11: Monopoly
Apr. 17	No Class: Easter Break
Apr. 19, 24, 26	Ch 12: A Game-Theoretic Approach to Strategic Behavior
May 1	Review for Final Exam
May 5	FINAL EXAM (9:00AM - 12:00PM in Sellinger Hall 203)