

**Economics 410H**  
**Intermediate Microeconomic Theory**  
**Spring 2015**

TuTh 11:00am – 12:15pm  
*Gardner 0001*

---

**Michelle Sheran-Andrews**

**Office:** 200D Gardner Hall

**Email:** sheran@unc.edu

**Office Hours:** Tuesday 9:00am - 10:00am  
Wednesday 10:00am -12:00pm  
Thursday\* 9:00am - 10:00am

\* *No office hours on 1/29, 2/12 or 4/23*

---

**Course Description:**

The purpose of this course is to explore the foundations of Microeconomic theory, focusing on the behavior of consumers, producers, and the interaction of these agents in the marketplace. The organization of markets and its implications for firm behavior and market equilibrium are also examined. This course is divided into the following three topics:

1. *Consumer theory:* How households make decisions in the face of scarcity and how these decisions vary in response to changes in the economic environment.
2. *Firm theory:* How firms make decisions in the face of scarcity and how these decisions vary in response to changes in the economic environment.
3. *The organization of markets:* How perfectly competitive, monopolistic, monopolistically competitive, and oligopolistic markets are organized and the outcomes of these markets.

The principles covered in this course are building blocks. These building blocks can and will be used in elective courses to analyze many specialized topics. This material cannot be learned passively. A major goal of this course is to teach you to "think" in a manner beyond fact recall. Active thinking and problem solving are essential. *Microeconomic theory is a tool learned best by use!*

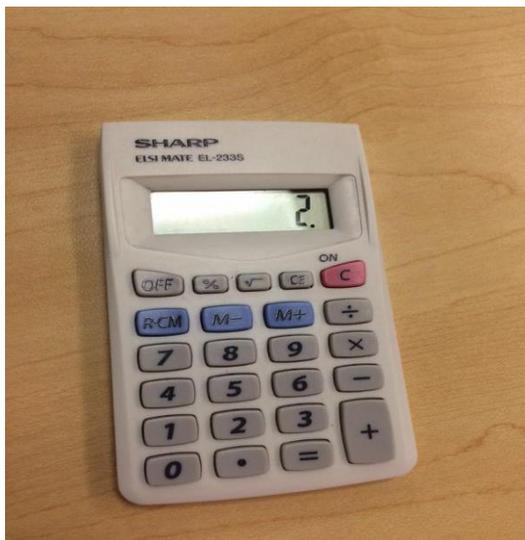
## Textbook

The recommended textbook is *Microeconomics* by David Besanko and Ronald Braeutigam. You do not have to purchase the most recent edition of this textbook. You might find additional or alternative textbooks helpful in their treatment of the subject matter and the availability of extra problems. If you would like to check-out or purchase a different textbook, most any "Intermediate Microeconomics" textbook will have similar content, and older editions will likely be just as useful as newer additions. In addition, the following books are on 2-hour reserve in the library. Please note the similarities in the book names and authors. Make sure you receive the book you actually requested.

1. *A Short Course in Intermediate Microeconomics with Calculus*, Roberto Serrano
2. *Microeconomics: Theory & Applications with Calculus*, Jeffrey Perloff
3. *Microeconomics: Theory & Applications*, Edgar Browning and Mark Zupan
4. *Microeconomic Theory: Basic Principles and Extensions*, Walter Nicholson
5. *Intermediate Microeconomics and its Application*, Walter Nicholson and Christopher Snyder
6. *Microeconomics: Theory and Applications*, Dominick Salvatore
7. *Price Theory and Applications*, Jack Hirshleifer, Amihai Glazer, and David Hirshleifer
8. *Microeconomics and Behavior*, Robert H. Frank
9. *Microeconomics*, Robert Pindyck and Daniel L. Rubinfeld

## Calculators

Only very basic, non-programmable calculators are permitted during exams. If your calculator does not look like the two examples pictured below, it must be approved by me at least 7 days before an exam. *The calculator must obviously appear to be basic and non-programmable.* **NO EXCEPTIONS** will be permitted.



## Recitation Sessions

You are required to register for and regularly attend the Honors recitation on Wednesdays from 1:25pm-2:15pm in Gardner 0106. During Honors recitation sessions, we will cover more complex material and wrestle with more intricate problems. Short, weekly quizzes will also be administered. There will be no makeup quizzes or quizzes administered in advance for any reason whatsoever.

## Class Conduct

1. I expect regular attendance. You are allowed to miss at most 3 classes during the semester. **After 3 missed classes, I will deduct 3 percentage points from your course grade for each class you miss.**
2. Do not talk to your neighbors during class. It distracts the students around you, and it distracts me.
3. Turn your cellphones off, put them away, and do not bring them out during class. If you are expecting an important phone call (job interview, family illness, etc.), please notify me before class.
4. All laptop usage is restricted during class unless you have a documented visual, auditory, or learning disability requiring the use of a laptop and provide me with the supporting paperwork.

## PowerPoint Slides

PowerPoint slides will be posted on Sakai *before* the material on the slides is covered in class. During class, I will not talk at a pace that allows you time to copy all the material on these slides. Thus, it is imperative that you print out (or copy by hand) these slides in advance. Further note that I will cover material in class that is not on these slides. Therefore, you should not view these slides as a substitute for note taking. I strongly suggest printing the slides out, placing them in a 3 ring binder, and then taking notes from class on the printouts.

## Grades

The actual letter grade you earn in this course will be based on a grading scale to be determined *after* the final exam. This scale may or may not resemble the 10-point scale that many of you are used to (*e.g.*, 90-100% is some sort of A, 80-89% is some sort of B, etc...) because I reserve the right to curve. (I will not curve down.) I will provide feedback over the semester on how to interpret your raw homework and exam scores so that you know how you are progressing in the course.

## Grade Breakdown/Schedule

Your grade will consist of 4 components. **Please note there is and will be no extra credit in this course.**

| Portion              | %   | Date                                                | Description                                                                                                                                                                                                                                           |
|----------------------|-----|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recitation Quizzes   | 10% | Wednesdays                                          | I will drop your lowest quiz score and calculate your quiz average based on all remaining quiz scores.                                                                                                                                                |
| Homework Assignments | 20% | See schedule on Sakai.                              | I will drop your lowest HW score and calculate your HW average based on all remaining HW scores.                                                                                                                                                      |
| Midterms             | 40% | Midterm 1: Tuesday, 2/4<br>Midterm 2: Tuesday, 4/14 | Each midterm will consist of 10 multiple choice questions and 3 long form questions. The higher of the two midterm grades will comprise 25% of your course average, and the lower of the two midterm grades will comprise 15% of your course average. |
| Final                | 30% | Tuesday, 4/28; 12pm-3pm                             | Comprehensive final consisting of 20 multiple choice questions and 4 long form questions.                                                                                                                                                             |

## Quizzes

Each week, you will take a short quiz during your Wednesday recitation. This quiz will cover material presented in class as well as recitations. There will be no makeup quizzes or quizzes administered in advance for any reason whatsoever. I will drop your lowest quiz score.

# Homework

Each homework assignment will have two sections: a long form section consisting of approximately 5 questions and a multiple choice section consisting of 10 questions.

The long-form portion will be graded by a TA according to a grading rubric I will provide you. When submitting your homework assignment, you must fill out and include the cover page posted on Sakai. Homework pages **MUST** be stapled together- no paper clips or dog-eared corners allowed. **You will receive a grade of zero on the long form section if your homework assignment is not stapled with the required cover page.** There will be NO EXCEPTIONS to this policy.

The multiple choice section will be graded via scantron. Your answers to the multiple choice questions must be submitted on a blue scantron. You must write and bubble your name and PID on your scantron. **You will receive a grade of zero on the multiple choice section if you do not write and bubble your name and PID on your blue scantron.** There will be NO EXCEPTIONS to this policy.

I will collect homework assignments at the start of class. 10 minutes after (your section's) class starts, I will not accept any additional submissions. If you anticipate missing class on the day a homework is due, you may have a classmate turn in your assignment or deliver it to me in person before the due date. *I will not accept homework left in my mailbox or slid under my door.*

At 5pm on the day an assignment is due, an answer key will be posted on Sakai. Please review the answer key and ask any questions about this homework at the next scheduled recitation session.

## Midterm/Final Exam Policies

There will be no makeup or early exams given for any reason whatsoever. If you miss a midterm and present me with a valid and documented excuse *in advance*, your one midterm will comprise 25% of your grade and your final exam will comprise 45% of your grade. Valid reasons include a documented medical illness that prevents you from taking the exam, a death in your immediate family, or a documented mandatory court date. If you miss a midterm without a valid and documented excuse in advance you will receive a 0 for that exam.

Per UNC rules, you can only take the Final Exam at an alternative time if you present me with a pink slip from an advisor verifying that you have at least 3 exams in a 24 hour period. You must present me with a pink slip **before the last day of classes**. If you miss the Final Exam and do not have an excuse from the Dean, you will receive a score of 0 on your Final.

## Frequently Asked Questions

**"I bubbled in the wrong answers on my Midterm/Final scantron. Can I get partial credit?"**

Unfortunately, to ensure fairness and remove subjectivity, we have to be strict on scantron grading. The answers on your scantron are the answers on which your grade is based, regardless of what is written on the test itself.

**"My scantron score was lower than I expected. Could you check to see if the scantron machine graded it incorrectly?"**

Email me directly and I can manually grade your scantron. Make sure to include your name, section, and onyen. Please note scantron grading issues are very rare, but possible (for instance, if you bubbled in the wrong sequence number).

**"Is there extra credit?"**

No. The reason I do not offer extra credit is that if everyone knows about it, it's not really extra credit. It's just another assignment, since I incorporate the curve and opportunity for extra credit into the Grade scale. If some people don't know about it (for instance, if a specific student asks for extra credit at the end of the semester), then I'm treating my students differently, which I make every attempt to avoid.

**"I got an 89.8. Is there anything I can do to raise my grade?"**

I completely empathize with this question, as I understand how frustrating it is to be on the cutoff for a particular grade. Unfortunately, however, the answer is no. The reason is twofold. First, I believe selective extra credit leads to an inequality in how I treat different students, which I make every attempt to avoid. Second, with a class of this size, if I move the Grade scale down by even 0.1, I am sure to have moved the cutoff up against another student. This once again introduces an element of inequality, as I was willing to move the scale for one student, but not the new student for whom the cutoff now applies.

**"Can I attend a recitation session for ECON410.001 or ECON410.002?"**

You welcome to additionally, but not alternatively, attend any of the 15 recitations for ECON410.001 or ECON410.002. During those recitations, a graduate TA will:

- work through and lead discussion on practice problems.
- answer any questions students have about the course material or homework assignments.
- hold a review session for the ECON410 exam in the recitation prior to a midterm.
- review the exam for ECON410 in the recitation after a midterm.