

Economics 510
Advanced Microeconomic Theory
Spring 2017

Instructor:	Michelle Sheran-Andrews
Email:	sheran@unc.edu
Class Meeting:	TuTh 9:30am – 10:45am
Classroom:	Smith 107
Office Hours:	Mondays 2-4pm and Wednesdays 10-11am, or by appointment (Book here: http://calendly.com/sheran)
Office:	200D Gardner Hall
Prerequisite:	ECON 410
Website:	http://sakai.unc.edu

Course Description

This course is a continuation of ECON410. While ECON410 dealt with basic price theory and market “successes,” this course will mainly cover market failures. In particular, we will first explore the notion of efficiency and equity in both a partial and general equilibrium framework. We will then add asymmetric information, behavioral economics, externalities, public goods, and market power to models learned in both ECON101 and ECON410 to analyze the effects on economic efficiency.

Course Schedule

A detailed course schedule with topics, exam dates, and homework and research paper due dates is posted on Sakai under *Resources* in the *Administration* folder. This schedule is subject to change as necessary.

Course Expectations

The rule of thumb in college is that you study for at least 2 hours outside of class for each hour you spend in class. This means you should spend a *minimum* of 5 hours per week outside of class on ECON510.

Textbook

The recommended textbook is *Microeconomics* by Douglas Bernheim and Michael Whinston. **You do NOT have to purchase the most recent version of this textbook.** You might find additional or alternative textbooks helpful in their treatment of the subject matter. 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, there are several microeconomics books on 2-hour reserve in the library.

Class Conduct

1. Unless you have a documented visual, auditory, or learning disability requiring the use of a personal electronic device (and provide me with the supporting paperwork), all laptop, tablet, smart phone or cell phone usage is prohibited during class.
2. I expect *regular* attendance. You are allowed to miss at most 3 classes during the semester. After 3 missed classes, I will deduct 2 percentage points from your course grade for each class you miss.
3. Lateness will not be tolerated. It is your responsibility to arrive on time (according to the clock on the classroom wall). I reserve the right to count you as absent if you are tardy.
4. Do not talk to your neighbors during class. It distracts the students around you, and it distracts me.
5. Come to class prepared. Read the relevant material before I cover it in lecture and come to class prepared to take an active part in your learning. I strongly encourage and welcome questions.

Calculators

Only a very basic, non-programmable calculator is 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. No exceptions will be permitted.



Email Correspondence

From Monday-Thursday, you should expect a response to your email within 24 hours. From Friday-Sunday and on holidays you should expect a response within 48 hours. Please note that you might be redirected to office hours if the question is particularly complex.

Grades

Research Paper	20%
Homework	20%
Midterm Exam (Tuesday, October 18th)	25%
Final Exam (Tuesday, December 13th at 8am)	35%

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.

Research Paper

The research paper assignment is to critically analyze a particular example of a market failure in a 10-12 page paper. The assignment is in 4 parts, each nesting the preceding one. Each part of the assignment, described in the *ECON510 Research Paper* document posted on Sakai in the *Assignments* folder, must be turned in by the date and time specified. Assignments turned in up to 12 hours late will receive a 10 point penalty, and those turned in more than 12 but less than 24 hours late will receive a 20 point penalty. No assignments will be accepted if more than 24 hours late.

Homework

There will be 6 graded homework assignments throughout the semester. Homework assignments will be collected at the start of class. Homework not turned in within the first 10 minutes of class will be considered late, and late homework submissions will not be accepted. 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. At noon 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 start of our next class.

Midterm/Final Exam Policies

If you miss a midterm and present me with a valid and documented excuse *in advance*, your final exam will comprise 60% 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.