

Economics 310
Intermediate Theory: Price and Distribution
Fall 2018

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Class Meeting:	MoWeFr 10:10 am - 11:00 am
Classroom:	Gardner - Rm 008
Office hours	By appointment (email)
Office	Phillips Annex 205
Website:	http://sakai.unc.edu

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. 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!

Course plan

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.
 - Budget constraints (Chapter 4.1)
 - Preferences (Chapter 3.1 and 3.3)
 - Utility (Chapter 3.2 and 3.3)
 - Constrained utility maximization (Chapter 4.2 and Chapter 4 Appendix 1)
 - Demand and Elasticity (Chapter 5.1, 2.2 and 2.3)
 - Income and Substitution Effects (Chapter 5.2)
 - Uncertainty (Chapter 15.1, 15.2 and 15.3)
2. **Midterm 1**
3. **Firm Theory:** How firms make decisions in the face of scarcity and how these decisions vary in response to changes in the economic environment

- Production (Chapter 6.1-6.5)
- Cost (Chapter 7)
- Cost minimization (Chapter 7, Chapter 8.1 and Chapter 8.2)
- Cost minimization (Chapter 7, Chapter 8.1 and Chapter 8.2)
- Profit maximization (Chapter 9.1)

4. Midterm 2

5. **The organization of markets:** How perfectly competitive, monopolistic, monopolistically competitive, and oligopolistic markets are organized and the outcomes of these markets.

- Perfect Competition (Chapter 9.3)
- Monopoly (Chapter 11.5 and 11.6)
- Oligopoly (Chapter 14.1 and Chapter 13.1 and 13.2)

6. Final exam

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. Please know that it is highly unlikely that studying “a lot” the week before the exam will make up for not studying enough in the weeks preceding the exam!! You may have been able to get away with this in the past. However, most ECON310 students realize that this just doesn’t work in economics or with the way in which I teach and test.

Resources

Textbook

The recommended textbook is Microeconomics by David Besanko and Ronald Braeutigam. **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 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, there are a variety of books on 2- hour reserve in the library.

Cell Phone with a Texting Plan

“In-class polls” will be conducted during each lecture using the response system known as Poll Everywhere. Participation requires that you have access to a cell phone texting plan. (Please notify me if this is not already the case.) Prior to our first poll you must register your device with Poll Everywhere (PE). Registration instructions can be found by following this link: <http://help.unc.edu/help/poll-everywhere-faq/>. **If you do not**

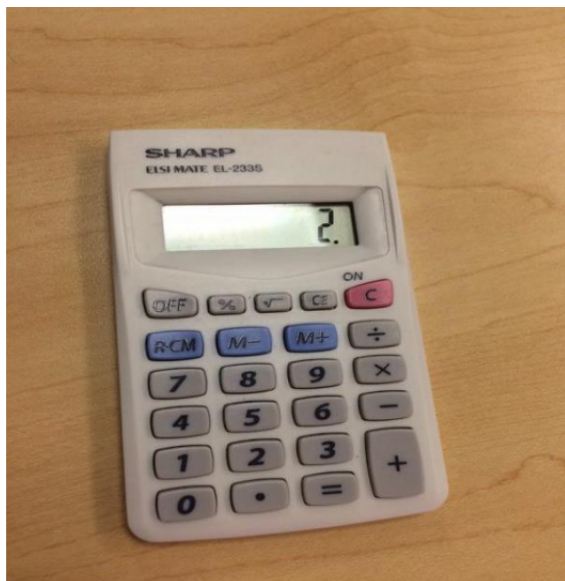
register properly, then your polls will not be counted. Please verify that you have registered correctly. Note: In-class polls are to be done in class, and it is a violation of the honor code to answer elsewhere. If you are found to be responding from any other location, you will be reported to the Honor Court.

Email Correspondence

Any question regarding homework grades, homework assignments, or the subject matter of the course should be sent to me at andrey@unc.edu. From Monday-Thursday, you should expect a response to your email within 48 hours. From Friday-Sunday and on holidays you should expect a response within 72 hours. Please note if the question is particularly complex, you might be redirected to office hours or a help session.

Calculator

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. **The calculator must obviously appear to be basic and non-programmable. NO EXCEPTIONS will be permitted.**



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

Accessibility Resources & Service

Students registered with the Accessibility Resources & Service (ARS) Office may take their ECON310 exams at ARS. Exams taken at ARS must be scheduled 3 FULL business days prior to the test / exam start time. I will upload the exams to the ARS exam portal, and exams will be scanned by ARS and returned to me via email. It is the responsibility of students who take exams at ARS to ensure they do not exceed their allotted time limit. There will be a 10 percentage point penalty for each 5 minutes over the time limit.

Grades

The actual letter grade you earn in this course will be based on a grading scale to be finalized after the final exam. I will provide feedback over the semester on how to interpret your scores so that you know how you are progressing in the course.

Grade Breakdown/Schedule

Your grade will consist of 4 components

Portion	%	Description
In-Class Polls	10	Your grade will be calculated as the average of your highest 85% of poll scores
Homework Assignments	20	Your grade will be calculated as the average of your 4 highest homework scores.
Midterms	40	Each midterm will consist of multiple choice, true/false and 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	The final is a cumulative exam consisting of multiple choice and true/false questions.

In-Class Polls

There will be two types of poll questions asked during class: graded questions and polling questions. “Graded questions” are questions for which there is only one correct answer. You will receive a 100% for a correctly answered graded question, 50% for an incorrectly answered graded question, and 0% for an unanswered graded question. “Polling questions” do not have correct answers. You will receive a 100% for an answered polling question and a 0% for an unanswered polling question.

I understand that you may not be able to participate in some polls because you may miss class, forget your polling device, and/or have a technical difficulty. **Missed polls cannot be made-up.** This holds regardless of your excuse (e.g. university/athletics commitment, job interview, sickness, technical malfunction, etc.). Don't worry because only the highest 85% of your polls will count toward your in-class polls grade. You can expect about 40-50 polls in total.

Starting **Monday, August 27**, all poll responses will be graded according to the procedure outlined in this syllabus. Registration instructions and other FAQ for Poll Everywhere (PE) can be found at <http://help.unc.edu/help/polleverywhere-faq/>. If you do not register properly, then your polls will not be counted. Please verify that you have registered correctly (see the PE FAQ for more info).

Poll questions are to be answered in class only; it is a violation of the honor code to answer elsewhere. If you are found to be responding from any other location, you will be reported to the Honor Court.

Homework assignments

There will be 5 graded homework assignments. Homework will be submitted and graded through *Sakai* and *Gradescope*. More specific instructions will be provided with each homework assignment. You are responsible for ensuring that your homework is properly submitted and clearly legible. Any part that cannot be read will be assigned a zero. Assignments will be due by 9:30 am on the due date, and late assignments will be accepted with a 20% penalty until 8 pm. At 8:05 pm on the day an assignment is due, an answer key will be posted on Sakai.

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 30% of your grade and your final exam will comprise 40% 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.

Each midterm is exactly 1 hour and 15 minutes. Final is 3 hours. To ensure that each student has the same amount of time, this cutoff is strict. You must close your exam and put your pencil down when the time has expired. If you are observed writing on or looking at your Midterm after the time limit has passed, you will receive a 10 percentage point penalty for each occurrence.

Regrade requests

Requests for a regrade must adhere to the following rules:

1. All regrade requests must be made within 10 days of the day on which the assignment was due or the midterm was taken. There will be no exceptions to this rule except in extraordinary circumstances.

2. Fill out the Regrade Request Form found on Sakai in the Administration folder under the Resources link. Staple the request form to your assignment or midterm and hand it in at the start of class. Please note that there is an element of subjectivity in grading long-form questions. If your regrade request is of a subjective nature ("I think I deserve 8 points and you only gave me 7"), your request will likely be rejected
3. If you submit a regrade request, I reserve the right to regrade your entire assignment or midterm, which could potentially lower your grade.
4. If your regrade request is rejected and you disagree with the explanation, come see me during my office hours to appeal your request

Frequently Asked Questions

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

No. 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 will manually grade your scantron. Make sure to include your name, section, and onyen. Please note scantron grading issues are very rare. (I have literally never seen one.)

- **"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 close to 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.

- **"I don't understand why I did poorly on the exam. I knew the information."**

A major goal of this course is to teach you to think in a manner beyond fact recall, a manner that reflects a higher order level of thinking. Understanding both the material from class and solutions to the homework problems is only a *first step* in mastering the course material! I want you to strive for a higher order level of learning. How can you achieve this?

1. Read the Study Tips document posted on Sakai under Resources in the Administration folder and adopt the recommended strategies.
2. Read the Help Sheets posted on Sakai.

3. Create your own help sheets for concepts on which help sheets have not been provided.
4. Discuss concepts, seek feedback and work problems with your classmates.
5. Come to class prepared! At least skim the relevant material before lecture so you have a general idea of the big picture and some familiarity with the terms and concepts and review your note from the previous class.
6. Do the practice problems from the textbook. (Trust me – they are important and often show up on exams.)
7. Ask for help when you need it! I am passionate about helping you master the material in ECON310. Please come see me during office hours.