

Economics 410

Intermediate Theory: Price and Distribution

Fall 2021, Section 004

Instructor:	Estonia Black efblack@live.unc.edu
Meeting Time:	T/Th 11:00am-12:15pm
Classroom:	Dey Hall Room 307
Recitation:	801; Fr 1:25-2:15; Phillips Rm 0385
Prerequisites:	ECON 101, and MATH 152, 231, STOR 112, or 113
Website:	http://sakai.unc.edu

Class Description

In this course we will explore the foundations of microeconomic theory, particularly the choices and behavior of consumers and firms, and their interactions within markets. The course will roughly be divided into three topics:

1. Consumer Theory: How individual consumers make decisions in the face of scarcity, and how variations in the economic environment of the market effect these decisions.
2. Firm Theory: How individual producers make decisions in the face of scarcity, and how variations in the economic environment of the market effect these decisions.
3. The Organization of Markets: How markets with varying levels of market power/competition are organized.

The focus of this course is to develop a theoretical framework which can be used to approach a wide variety of microeconomic questions. This framework is a *way of thinking* about markets and individual choices, and as such this course is best approached with an attitude of problem solving and critical thinking. Students will get the most out of this course if they focus on not just *how* we find answers to specific economic questions, but *why* our methods work.

Class Expectations

- **Regular class attendance:** Regular attendance and active participation will be essential to your success in other areas of the course. Attendance will not be required or tracked, so as not to incentivize students to attend class when they feel sick. If you miss a class session, it is your responsibility to get notes from a classmate and attend office hours with any remaining questions. If you have attempted to acquire notes from classmates and have attended regular office hours and still feel behind from an absence, please reach out to me after class or via email.
- **Mask Use:** This semester, while we are in the midst of a global pandemic, all enrolled students are required to wear a mask covering your mouth and nose at all times in our classroom. This requirement is to protect our educational community — your classmates and me — as we learn

together. If you choose not to wear a mask, or wear it improperly, I will ask you to leave immediately, and I will submit a report to the Office of Student Conduct. At that point you will be disenrolled from this course for the protection of our educational community. Students who have an authorized accommodation from Accessibility Resources and Service have an exception. For additional information, see [Carolina Together](#).

- **Time spent out-of-class:** Most students should plan to spend a minimum of five hours per week studying for Econ 410 outside of class. It is very unlikely that studying intensely in the days or week right before an exam will be sufficient without consistent study in the weeks leading up to the exam.

Office Hours

I will hold office hours at least three times per week over Zoom. A schedule of office hours and a Zoom link will be available on our Sakai page. Any changes to the office hours schedule will be reflected on Sakai and announced in class. Additional office hours may be available by appointment.

One of my favorite parts of teaching is working with students one-on-one or in small groups in office hours. If you have questions about specific problems or concepts, or if you feel like you are putting in the required amount of work studying the material and are still struggling, please don't hesitate to talk to me.

Recitations

Recitation attendance is highly encouraged, but not strictly required. Any material covered in recitations may appear on exams. **Recitations for different sections of Econ 410 may not be the same, so make sure you are registered for/attending recitation section 801.**

Grades

Component	% of Course Grade
Homework Assignments	20%
Midterms	45%
Final	35%

- There will be seven homework assignments, weighted equally. Each homework will consist of a multiple-choice section and a long-form section. Multiple-choice answers will be submitted through Sakai, and long-form answers will be submitted through Gradescope. Submissions are due by 5:00pm on the assigned due date. No submissions will be accepted after 6:00pm on the assigned due date. There will be a 20% late penalty applied to all submissions received between 5:00pm and 6:00pm. Instructions for submitting homework via Gradescope will be included in the text of each assignment. An answer key for each assignment will be posted on Sakai at 6:05pm on the due date.
- There will be two midterm exams. Each student's highest midterm grade will be worth 25% of their final course grade, and their lower midterm grade will be worth 20%. Midterm exams will

be structured similarly to homework assignments, with a multiple-choice section and a long-form section. You **must** bring a scantron sheet to each midterm exam. Calculators are permitted (and recommended) during exams, but only very basic, non-programmable, non-graphing calculators. I will try to supply some backup calculators in case of calculator-related emergencies, but I cannot guarantee that I will have enough for everyone.

- The final exam will take place from **12:00pm-3:00pm on Thursday, December 9th**. The final exam will consist only of multiple-choice questions. You **must** bring a scantron sheet for the final exam. Calculators are permitted (and recommended), but only very basic, non-programmable, non-graphing calculators. I will try to supply some backup calculators in case of calculator-related emergencies, but I cannot guarantee that I will have enough for everyone.

Your course grade will be calculated as follows:

$$\text{Course Grade} = (0.20 \times \text{homework average}) + (0.25 \times \text{higher midterm score}) + (0.20 \times \text{lower midterm score}) + (0.35 \times \text{final exam score})$$

Course Policies

Textbook

The recommended textbook for this course is *Microeconomics* by David Besanko and Ronald Braeutigam. You do not have to purchase the most recent edition of this textbook. Most Intermediate Microeconomics textbooks will likely have similar content. Older editions of Besanko and Braeutigam will have similar content, and likely be less expensive. If you do not want to rent or purchase a textbook, there are many available on 2-hour reserve in the UNC library.

Excused Absences and Missed Exams:

No right or privilege exists that permits a student to be absent from any class meetings, except for these University Approved Absences:

- Authorized University activities
- Disability/religious observance/pregnancy, as required by law and approved by [Accessibility Resources and Service](#) and/or the [Equal Opportunity and Compliance Office](#) (EOC)
- Significant health condition and/or personal/family emergency as approved by the [Office of the Dean of Students, Gender Violence Service Coordinators](#), and/or the [Equal Opportunity and Compliance Office](#) (EOC).

If due to one of the above reasons, you must miss an exam, contact me as soon as possible, and obtain a University Approved Absence by submitting a request to the Office of the Dean of Students.

Regrade Requests:

You may submit a “regrade request” on Gradescope for one or more long-form questions on a midterm exam or homework assignment within one week of the date the assignment’s grade is posted. Any regrade request submitted after that point will not result in a change to your grade for that assignment.

Accessibility Resources:

UNC-Chapel Hill facilitates the implementation of reasonable accommodations for students with learning disabilities, physical disabilities, mental health struggles, chronic medical conditions, temporary disability, or pregnancy complications, all of which can impair student success. See the ARS website for contact and registration information: <https://ars.unc.edu/about-ars/contact-us>.

Students registered with the Accessibility Resources & Service (ARS) may be eligible to take their exams at the ARS office. If you choose this option, you must schedule the exam with ARS at least 4 business days before the date of the exam. Please schedule the exam at the same time as the in-class exam, or as close as possible. It is the responsibility of students who take their exams at ARS to ensure that they do not exceed their allotted time. I will apply a 7.5 percentage point penalty to exam scores for each 5 minutes over the time limit.

Honor Code:

Students are bound by the Honor Code in taking exams and in written work. The Honor Code of the University is in effect at all times, and the submission of work signifies understanding and acceptance of those requirements. Plagiarism will not be tolerated. Please consult with me if you have any questions about the Honor Code.

Syllabus Changes:

I reserve the right to make changes to this syllabus, including due dates and exams. Any changes will be announced in class and on Sakai.

Additional Resources

EconAid Center:

The EconAid Center provides free, drop-in tutoring with undergraduate peer tutors, for students in many economics courses, including Econ 410. I will try to keep up-to-date information on their schedule for 410 peer-tutors on the course Sakai site, but it should always be available on their web page: <https://econ.unc.edu/undergraduate/econaid/>.

CAPS:

CAPS is strongly committed to addressing the mental health needs of a diverse student body through timely access to consultation and connection to clinically appropriate services, whether for short or long-term needs. Go to their website: <https://caps.unc.edu/> or call 919-966-3658.

The Learning Center:

The UNC Learning Center is a great resource both for students who are struggling in their courses and for those who want to be proactive and develop sound study practices to prevent falling behind. They offer individual consultations, peer tutoring, academic coaching, test prep programming, study skills workshops, and peer study groups. If you think you might benefit from their services, please visit their website for more information: <http://learningcenter.unc.edu>.

Title IX Resources:

Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Reports can be made online to the EOC at <https://eoc.unc.edu/report-an-incident/>. Please contact the University's Title IX Coordinator (Elizabeth Hall, interim – titleixcoordinator@unc.edu), Report and Response Coordinators in the Equal Opportunity and Compliance Office (reportandresponse@unc.edu), Counseling and Psychological Services (confidential), or the Gender Violence Services Coordinators (gvs@unc.edu; confidential) to discuss your specific needs. Additional resources are available at safe.unc.edu.

Course Schedule

DATE	TOPIC AND CORRESPONDING CHAPTERS	HOMEWORK
Thursday, August 19	Introduction; Math review (Mathematical Appendix)	
Tuesday, August 24,	Consumer Theory: Budget constraints (Chapter 4.1)	
Thursday, August 26	Consumer Theory: Budget constraints (Chapter 4.1)	
Tuesday, August 31	Consumer Theory: Preferences and Utility (Chapter 3.1 - 3.3)	
Thursday, September 2	Consumer Theory: Preferences and Utility (Chapter 3.1 - 3.3)	Homework #1 assigned
Tuesday, September 7	Consumer Theory: Constrained utility maximization (Chapter 4.2 and Chapter 4 Appendix 1)	
Thursday, September 9	Consumer Theory: Constrained utility maximization (Chapter 4.2 and Chapter 4 Appendix 1)	Homework #1 due; Homework #2 assigned
Tuesday, September 14	Consumer Theory: Demand (Chapter 5.1)	
Thursday, September 16	Consumer Theory: Demand (Chapter 5.1)	Homework #2 due
Tuesday, September 21	Consumer Theory: Elasticity (Chapter 2.2 and 2.3)	Homework #3 assigned
Thursday, September 23	Consumer Theory: Income and Substitution Effects (Chapter 5.2)	
Wednesday, September 24	N/a	Homework #3 due
Tuesday, September 28	Consumer Theory: Income and Substitution Effects (Chapter 5.2)	
Thursday, September 30	Midterm #1	
Tuesday, October 5	Consumer Theory: Extensions (Chapter 4.3, Chapter 4 Appendix 2, and Chapter 5.5)	
Thursday, October 7	Consumer Theory: Uncertainty (Chapter 15.1, 15.2 and 15.3)	
Tuesday, October 12	Consumer Theory: Uncertainty (Chapter 15.1, 15.2 and 15.3)	Homework #4 assigned
Thursday, October 14	Firm Theory: Production (Chapter 6.1-6.5)	
Tuesday, October 19	Firm Theory: Production (Chapter 6.1-6.5)	Homework #4 due; Homework #5 assigned
Thursday, October 21	No Class: Fall Break	
Tuesday, October 26	Firm Theory: Cost (Chapter 7)	Homework #5 due
Thursday, October 28	Firm Theory: Cost (Chapter 7)	
Tuesday, November 2	Midterm #2	
Thursday, November 4	Firm Theory: Cost minimization (Chapter 7, Chapter 8.1 and Chapter 8.2)	Homework #6 assigned

Tuesday, November 9	The Organization of Markets: Perfect Competition (Chapter 9.3)	
Thursday, November 11	The Organization of Markets: Perfect Competition (Chapter 9.3)	Homework #6 due
Tuesday, November 16	The Organization of Markets: Monopoly (Chapter 11.1 and 11.2)	
Thursday, November 18	The Organization of Markets: Monopoly (Chapter 11.1 and 11.2)	
Tuesday, November 23	The Organization of Markets: Oligopoly (Chapter 14.1, 13.1 and 13.2)	Homework #7 Assigned
Thursday, November 25	No Class: Thanksgiving Recess	
Monday, November 29	N/a	Homework #7 Due
Tuesday, November 30	Wrap-up	
Thursday, December 9 th	Final Exam: 12:00-3:00	