

# Intermediate Microeconomic Theory

Economics 3101-0004 Fall 2021

**Instructor:** Dr. Douglas Norton

**Time and Location:** MWF 9:20 am - 10:10 pm, Bellamy 203

**Contact:** via Canvas email

**Office Hours:** MW 1pm - 2:30pm (or by appointment), Zoom

**Course Description:** This course is designed to introduce you to formal microeconomic models. Many students find this material challenging because the math will be beyond what was used in principles of microeconomics. But, the tools and intuitions developed here are a necessary first step to become a professional economist. If your goal is to be an economist, or even to signal to employers you are a smart and hardworking kind of person, I encourage you to make that investment now. The course is divided into three parts. First, we will study consumer behavior and producer behavior. Second, we will explore how these ideas come together in various market settings. Third, we will discuss models of choice under risk as well as non-market decision-making. All of these topics help us understand our social world and have policy relevance.

**Format:** This course plans to use the strategy of team-based learning to improve learning outcomes. In the first week of class, students will be assigned to groups of four or five. I expect each team to work together effectively and efficiently. Each team member is responsible for achieving these goals. Team-based learning has two major components: individual out-of-class preparation and in-class teamwork that applies lessons from out-of-class preparation. Out-of-class preparation includes watching videos, completing the two cold-call questions, and outlining strategies for solving a small set of other questions. In class, students will have about 20 minutes to compare strategies and come up with an answer to 3-4 questions. During class students will be called on at random to answer the “cold-call questions”. We will review those as a class and then students will break into teams to discuss the remaining problems before we reconvene. Expectations for out of class preparation are clear on the Canvas site.

This class will also import the idea of “labs” which are common in the natural sciences but less so in the social sciences. Our experimental tests involve building decision situations that mirror the economic models we have learned but where the decision-makers are human actors. Discussion about these theories, predictions, and outcomes of experiments are an important part of what we will learn in this class and help develop an appreciation of economic science.

## Required Materials:

Throughout the course we will often use or refer to:

1. **Textbook:** Robert H. Frank, *Microeconomics and Behavior*, McGraw-Hill Irwin, 9<sup>th</sup> ed. Used earlier editions of the textbook can be found for about \$10.

2. **MobLab:** During the semester students will participate in economic experiments and class surveys using an online platform called MobLab. Instructions on how to join this platform have been posted on Canvas. Having a Moblab account registered for this course is necessary for full participation in this class. If you plan to participate on your phone or tablet download the MobLab app from the App Store. **If you ever experience any problems with the platform please contact Moblab at support@moblab.com.**

### Course Objectives:

Upon completion of this course students will be able to:

1. Understand the theoretical foundations of individual choice
2. Develop demand curves from individual preference relations
3. Build firm and market supply from production and cost
4. Analyze various market structures
5. Understand the important features of decisions under risk
6. Think critically about collective action situations

### Grade Distribution:

Participation	10%
In-Class Quizzes	20%
Midterm 1	20%
Midterm 2	20%
Final Exam	30%

### Letter Grade Distribution:

$\geq 93.00$	A	73.00 - 76.99	C
90.00 - 92.99	A-	70.00 - 72.99	C-
87.00 - 89.99	B+	67.00 - 69.99	D+
83.00 - 86.99	B	63.00 - 66.99	D
80.00 - 82.99	B-	60.00 - 62.99	D-
77.00 - 79.99	C+	$\leq 59.99$	F

### Course Policies:

- **General**

- Reflection questions will take place at the very beginning and end of most classes.
- No electronic devices should be used in class except when using MobLab or taking an in-class quiz.
- If you have SDRC accommodations it is your responsibility to let me know.
- If an exam is missed due to an “excused absence” a make up will be given using Honor Lock. The university attendance policy that specifies reasons for excused absence as well as required documentation will be followed strictly. For unexcused absences on midterms the weight will be placed on the final exam.
- There are no make-up quizzes. The lowest quiz grade will be dropped. This includes a zero from a missed quiz.
- The final exam can replace lower midterm scores.

- **Grades**

- Participation - Based on the reflection questions that take place at the beginning and end of classes, post-midterm performance reviews, and participation in MobLab activities. The expectation for reflection related questions is a thoughtful response. Other factors such as response to questions during class and peer evaluation may also factor into this grade.
- There will be five in-class quizzes (20 percent). Quizzes will be approximately 5 questions and 15-minutes in length and will be administered in the classroom. See the tentative course schedule for expected quiz dates. **The quizzes are open book and open note.** You can drop the lowest quiz grade. This includes a zero from a missed quiz.
- There are three exams in this course: two midterms (20 percent each) and a final (30 percent). **All exams are cumulative.** It has been shown cumulative exams improve learning outcomes. The final exam will be held in Bellamy 203 on Monday, December 6th from 7:30 am - 9:30 am.

### Tentative Schedule

Week	Monday	Wednesday	Friday
1	Syllabus	Math Assessment & Teams	Supply and Demand
2	Budget Constraints	Preferences	Optimal Choice
3	No Class - Labor Day	Utility Maximization	Income and Substitution Effects
4	Aggregate Demand	Elasticity	Application
5	Review for Midterm	<b>Midterm 1</b>	Review of Midterm
6	Production	Cost	Cost Minimization
7	Perfect Competition	Perfect Competition	Perfect Competition
8	Monopoly	Monopoly	Game Theory
9	Cournot	Cournot & Stackelberg	Bertrand
10	Application	Review for Midterm	<b>Midterm 2</b>
11	Asset Market	Expected Utility	Insurance
12	Insurance	Externalities	Externalities
13	Public Goods	“Final Lecture”	No Class - Optional Video
14	No Class	No Class	No Class
15	Review	Review	BYOQ

- Red - indicates there will be no class.
- Green - indicates there will be an in-class quiz
- Blue - indicates there will be a MobLab experiment

## University Mandated Material:

- **Public Health Protocols:** In our classroom, I will expect everyone to wear a proper, well-fitting mask. As our President has informed the university community, FSU expects everyone on campus to use face-coverings. In regions where virus rates are high, the CDC recommends that even vaccinated individuals wear masks in public indoor spaces, like classrooms, especially where social distancing is not possible. Florida infection and hospitalization rates are greater now than they were at the height of the 2020 surge due to the Delta variant, a more infectious and easily transmissible version of the COVID-19 virus. The best way to protect against serious illness is to be fully vaccinated, but not everyone among us can be. Because the Delta variant can infect even vaccinated individuals and can be spread by them to others, it poses a special threat to members of the community with underlying health conditions and children at home who are too young for vaccination. For these reasons, FSU expects each member of the community to comply with the public health protocols our President set forth on August 9, 2020, including (1) wearing masks in public indoor spaces, (2) getting fully vaccinated, (3) being tested for the virus if you have symptoms, and (4) staying home and away from others if you are sick. Please remember that you should NOT attend class in person if you have tested positive for COVID-19 or are quarantining after exposure. Finally, please bear in mind that the COVID-19 situation is fast moving and that university guidance on the issue may change at any time.
- **Course Recording Permitted:** In this class, consistent with state law and university policy, students are permitted to make recordings of class lectures for personal use only. As noted, sharing, posting, or publishing classroom recordings may subject you to honor code violations and legal penalties associated with theft of intellectual property and violations of other state law. Moreover, students and educators have expressed concern that recording classroom activities may negatively impact the learning experience for others, especially in classes that involve questions, discussion, or participation. To protect a learning environment in which everyone feels free to experiment with ideas, we ask you refrain from recording in ways that could make others feel reluctant to ask questions, explore new ideas, or otherwise participate in class. Students must monitor their recording so that they do not include participation by other students without permission. Students with disabilities will continue to have appropriate accommodations for recordings as established by the Office of Accessibility Services.
- **Course Recording Not Permitted:** In this class, consistent with state law and university policy, you may not make recordings of classroom activities without the permission of the instructor. This policy applies to both audio and video recordings.
- **University Attendance Policy:** Excused absences include documented illness, deaths in the family and other documented crises, call to active military duty or jury duty, religious holy days, and official University activities. These absences will be

accommodated in a way that does not arbitrarily penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness.

Please note: Because students who test positive for COVID-19 are required to self-isolate for ten (10) days, positive COVID-19 test results, required isolation orders, or documentation of contact tracing should all be considered valid documentation for missing class.

- **Academic Honor Policy:** The Florida State University Academic Honor Policy outlines the University's expectations for the integrity of students' academic work, the procedures for resolving alleged violations of those expectations, and the rights and responsibilities of students and faculty members throughout the process. Students are responsible for reading the Academic Honor Policy and for living up to their pledge to "...be honest and truthful and... [to] strive for personal and institutional integrity at Florida State University." (For more details see the FSU Academic Honor Policy and procedures for addressing alleged violations.)
- **Academic Success:** Your academic success is a top priority for Florida State University. University resources to help you succeed include tutoring centers, computer labs, counseling and health services, and services for designated groups, such as veterans and students with disabilities. The following information is not exhaustive, so please check with your advisor or the Dean of Students office to learn more.
- **Process for Resolving Academic Problems or Grievances:** Please use this step-by-step guide to resolving academic problems to begin the process of communicating with your instructor to resolve any confusion or difficulty you may be having in the course. Detailed information on FSU's grievance procedure, including special instructions for students enrolled in an FSU branch campus, is maintained on the General Bulletin's Academic Integrity & Grievances webpage. Out-of-state distance learning students should review the Office of Distance Learning Complaint Resolution page for additional procedures.
- **Americans With Disabilities Act:** Florida State University (FSU) values diversity and inclusion; we are committed to a climate of mutual respect and full participation. Our goal is to create learning environments that are usable, equitable, inclusive, and welcoming. FSU is committed to providing reasonable accommodations for all persons with disabilities in a manner that is consistent with academic standards of the course while empowering the student to meet integral requirements of the course. To receive academic accommodations, a student:
  - (1) must register with and provide documentation to the Office of Accessibility Services (OAS);

- (2) must provide a letter from OAS to the instructor indicating the need for accommodation and what type; and,
- (3) should communicate with the instructor, as needed, to discuss recommended accommodations. A request for a meeting may be initiated by the student or the instructor.

Please note that instructors are not allowed to provide classroom accommodations to a student until appropriate verification from the Office of Accessibility Services has been provided. This syllabus and other class materials are available in alternative format upon request. For more information about services available to FSU students with disabilities, contact the:

Office of Accessibility Services (Tallahassee Campus)  
874 Traditions Way, 108 Student Services Building  
Florida State University, Tallahassee, FL 32306-4167  
(850) 644-9566 (voice)  
(850) 644-8504 (TDD)  
oas@fsu.edu  
<https://dsst.fsu.edu/oas/>

Student Accessibility Services (Panama City Campus)  
Office of Student Affairs, 4750 Collegiate Drive 2nd Floor Barron Building (Room 215)  
Panama City, FL 32405  
(850) 770-2172 (office)  
(866) 693-7872 (toll free)  
sds@pc.fsu.edu  
<https://pc.fsu.edu/students/student-affairs/sas>

- **Free Tutoring from FSU:** On-campus tutoring and writing assistance are available for many courses at Florida State University. High-quality tutoring is available by appointment and on a walk-in basis. These services are offered by tutors trained to encourage the highest level of individual academic success while upholding personal academic integrity. For more information, visit the Academic Center for Excellence (ACE) Tutoring Services' comprehensive list of on-campus tutoring options - see the Academic Center for Excellence (ACE) Tutoring Services' website (<http://ace.fsu.edu/tutoring>) or contact [tutor@fsu.edu](mailto:tutor@fsu.edu).

- **Confidential Campus Resources:** Various centers and programs are available to assist students with navigating stressors that might impact academic success. These include the following:

Victim Advocate Program

University Center A, Room 4100

Florida State University, Tallahassee, FL 32306-4167

(850) 644-7161, Available 24/7/365

Office Hours: Monday-Friday 8am-5pm

<https://dsst.fsu.edu/vap>

Counseling & Psychological Services (Tallahassee Campus)

942 Learning Way, Askew Student Life Center, 2nd Floor

Florida State University, Tallahassee, FL 32306-4167

(850) 644-8255 / (850) 644-TALK

<https://counseling.fsu.edu/>

University Health Services

Health and Wellness Center

(850) 644-6230

<https://uhs.fsu.edu/>

- **FSU Food Pantries:** FSU has established Food Pantries where students in need can pick up non-perishable food items freely and anonymously. The Food Pantry is available during the pandemic, and it is free and open to all students to take what they need. Donations for collection of non-perishable food items are encouraged.

For more information about the Tallahassee Food Pantry, visit the Tallahassee Food for Thought Pantry website (<https://dos.fsu.edu/resources/food-for-thought-pantry>). The pantry is located at University Center A, Suite 4148. If you have questions or concerns, contact the Department of Student Support and Transitions at [dsst@fsu.edu](mailto:dsst@fsu.edu) or (850) 644-2428.

For more information about the Panama City Food Pantry, visit the PC Food Pantry website (<https://pc.fsu.edu/students/student-services/food-pantry>). The pantry is located at Holley West Hall. If you have questions or concerns, contact Kathleen Duval LCSW at [krduval@fsu.edu](mailto:krduval@fsu.edu) or (850) 770-2174.

- **Syllabus Change Policy:** “Except for changes that substantially affect implementation of the evaluation (grading) statement, this syllabus is a guide for the course and is subject to change with advance notice.”