This is an intermediate course that focuses on microeconomic theory. Students will learn to apply the theory to common economic and business problems. Course Description from college catalogue:

“An examination of the role of the price system in the economy, the factors underlying demand and supply and the behavior of the firm under various market structures. Prerequisites: ECON 110 or (ECON 111 and ECON 112) all with a grade of “C” or better and (MATH 105 or BUS200).”

This course covers the basic concepts essential to a comprehensive understanding of microeconomics. Topics to be covered include theory of consumer behavior and demand; production, costs and competitive markets; imperfect markets, including monopoly and oligopoly; and externalities and public goods.

We will answer such questions as

- How does a company estimate demand for its product?
- How might cell phone companies determine the profit maximizing mix of fees and minutes?
- Is a cash subsidy better than food stamps?
- Why does Bangladesh specialize in labor intensive goods and the U.S. in capital intensive goods?
- Why does Intel purposely slow down the speed of some of its processors?

The task of providing an interesting and useful course is great, given the wide distribution of student backgrounds and interests. Nonetheless, I seek to provide everyone with a basic understanding of microeconomic theory and terminology and the skills necessary to answer basic economic questions that you are likely to encounter during and after college. The information, skill, and insight learned in this class will be useful to you in your roles as citizens/voters, as business people as you run or work for small or large, for-profit or not-for-profit businesses, and as individual as you consider choices in your personal lives. At the same time, I seek to provide economics majors with a sound foundation for their future economics courses, as topics in this course form the foundation for many applied economics courses. Provision of the sound foundation for economics majors is not incongruent with providing a sound foundation for everyday use of economics.

As we proceed through the course we may come to a topic that you do not think has any relevance to you or your life. You may be correct. The topic, whatever it may be, may not be of use to you now or in the future. On the other hand, its usefulness may only become apparent years later. What is "useful"? If a topic is not directly useful now, consider that it may be in one or five or ten years -- in different circumstances, when you face a set of problems different from those you face today. Keep open the option of being able to use the material we cover. Your lives will change drastically over the next two decades, if the changes I experienced during that time are any indication. You will all be participants in a market economy. And who
knows, you may also run a company (or part thereof) and have to decide what price to charge, how much to produce, and how many people to hire!

Other courses that build upon what is learned ECON 211 include: Public Finance, Industrial Organization, International Trade, International Finance, and Sports Economics. Please see me if you would like to discuss the content of other economic courses.

**Approach:**

I want you to be able to apply (i.e., use) microeconomics. So we will solve problems and discuss questions during class. I will lecture some, but we will also work on problems together. For this way of teaching and learning to work you must actively participate. Active participation requires that you come to class prepared - having read (at least skimmed) and considered the material to be discussed and completed other assigned work. Active participation means that you ask questions, suggest well-supported answers, and generally add to the effort in a positive manner.

**Math Skills:** Please note, although concepts will also be presented in verbal and graphical form, there will be quite a bit of math, both formulas (algebra) and numbers. Please be prepared to brush up on your basic math skills if need be.

**Effort required:**

Consider this to be a friendly warning (I am on your side): successful completion of this course will require many hours of effort each week. If you attend class and take detailed notes, read the chapters each week (maybe reading each twice, all the way through), complete the homework each week, and ask questions when you do not understand something then you will be more likely to learn Intermediate Microeconomics. If you do not do any one of these activities then you will be less likely to learn. It’s that simple. The choice is yours.

**Topics:**

Some of the same topics from Introductory Microeconomics (ECON 111) will be discussed in this class. The main difference will be the depth and rigor of the inquiry. Intermediate is designed to be much more detailed and conceptual, with a strong emphasis on a theoretical understanding of the basic concepts. Below is the course schedule, subject to change:

<table>
<thead>
<tr>
<th>Beginning</th>
<th>Primary topic</th>
<th>Chapter</th>
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<tbody>
<tr>
<td>Jan 20</td>
<td>Syllabus, Review of Basic econ</td>
<td>1, 2</td>
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<tr>
<td>Jan 27</td>
<td>Market Demand</td>
<td>5</td>
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<tr>
<td>Feb 8</td>
<td>Consumer Behavior and Individual Demand</td>
<td>3</td>
</tr>
<tr>
<td>Feb 17</td>
<td>Consumer Preferences</td>
<td>4</td>
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<tr>
<td>Mar 8</td>
<td>Exam 1</td>
<td></td>
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<tr>
<td>Mar 10</td>
<td>Costs of Production</td>
<td>7</td>
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<tr>
<td>Mar 22</td>
<td>Production Theory</td>
<td>8</td>
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<tr>
<td>Mar 31</td>
<td>Perfect Competition</td>
<td>9</td>
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<tr>
<td>Apr 21</td>
<td>Exam 2</td>
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<tr>
<td>Apr 23</td>
<td>Monopoly</td>
<td>10</td>
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<tr>
<td>May 5</td>
<td>Market Structure, Efficiency, and Regulation</td>
<td>13</td>
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<tr>
<td>May 19</td>
<td>Final Exam 2:00 – 4:00</td>
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**Materials:**

**Angel Postings:** Documents (homework questions, answers, class exercises, and so on) are posted on Angel.


The text is required and must be read. The text and the class lectures are complements not substitutes. In other words, read the text *and* take copious notes in class.

Economics majors should keep their text after the semester, not sell it. It may prove to be a valuable reference. This will be especially true for courses that use Econ 211 tools (Public Finance, Industrial Organization, International Trade, International Finance, and Sports Economics).

**Three-ring binder:** Please buy a three-ring binder. Put course material (e.g., postings on Angel) and loose-leaf paper in the binder for class notes. Stay organized.

**Pencils:** You must have several, with good erasers!

**A straight edge:** for making graphs.

**Evaluation:**

Your understanding of the concepts in this course will be determined by the quality and quantity of your effort. I ask that you to submit up to three exams, complete weekly assignments, and participate in class.

**EXAMS**

All three exams are cumulative. The average of your scores on the exams will constitute 80% or 90% of your course grade (depending on attendance, see below). Expected exam 1 and 2 dates are listed on the schedule above and are approximate and subject to change. Changes will be announced in class. Exam 3 is fixed: May 19, 2-4pm. It is your responsibility to know when each exam is held.

Because the 3rd exam is cumulative, your score on the 3rd (final) exam will replace any lower prior scores.

**ASSIGNMENTS**

The assignments are optional but highly recommended. If you choose to complete at least 5 assignments then these will constitute 10% of your course grade. You choose which ones to complete. If you complete more than 5 you will get additional credit. If you complete fewer than 5 then the assignments will not count toward your course grade.

**ATTENDANCE**

Attendance is required. If you want attendance to count for 10% of your course grade then please indicate this to me the first week of classes (by Jan 27). Otherwise, attendance will not be part of your course grade.

Attendance will be taken at the beginning of class. If you are late then you will be marked absent.
You will earn a 5 point bonus on the exam if you are part of a study group that meets outside of class each week for at least two hours (10 points if your group meets three or more hours per week) for all weeks prior to the exam (since the previous exam). All members must earn at least 65% on the exam for any member to earn bonus points. Thus, the bonus points for you essentially are for helping your group members do well (the other benefit to you is learning the material better than you could on your own). The team must have 3 or 4 members. More details and requirements will be discussed in class.

**Summary:** Your course grade will be the weighted average of your scores on:
- Exams: 80% to 100% of course grade
- Assignments: 0 or 10%
- Attendance: 0 or 10%

**Student Responsibilities (what I expect of you):**

- **IN CLASS:**
  - Be respectful of the instructor and other students.
    - Do not talk in class about non-class topics.
    - Pay attention - always! Focus.
    - Put away your cell phones. Please, no texting.
    - Come to class prepared.
    - Do not leave during class – to go to the bathroom, answer a phone call, etc., etc.
  - Participate! "Participate" means being actively engaged - listening to (hearing and thinking about) the lecture, answering questions (either to yourself or aloud) when the instructor asks them, and solving problems with the instructor in class.
  - Come to class on time. Don't leave early. Arriving late or leaving early is rude and distracting - to me and to your classmates. Please be on time. If you must arrive late or leave early, let me know before-hand and sit in the back so that the disruption is minimal.
  - Review your class notes just before and shortly after each class. In doing so you will be reminded of where we left off, where we are headed, and how it fits together. Hit the ground running, so to speak.
  - Take your garbage (bottles, wrappers, newspapers, ....) with you when you leave. Show you care: Leave the room as clean or cleaner than when you arrived.

- **OUTSIDE OF CLASS:**
  - Read the entire syllabus and course schedule.
  - Read chapters in the text around the time they are discussed in class. Read more than the chapter summary. You may also want to read the text chapters twice in detail, after skimming it first.
  - Seek help from the professor if you need it. There is nothing wrong with asking questions if something is unclear.
  - Know when assignments are due and submit them at that time.
• Obtain notes from a classmate when you miss class (even if you don't know anyone, just ask – they'll likely say "ok").

• I will make the course as interesting as possible. I ask that you make every effort to do the same. Look for what is interesting and useful to you now and in the future.

• Please ask administrative-type questions (about the homework or grading structure, for example) after class or during office hours. This will permit as much class time as possible be used for learning the material.

• Please devote at least four to six hours per week to this course outside of class. This will include time for reading, completing assignments, studying for tests, meeting with your group, and so on.

**Academic Dishonesty:**

Last, but not least:

"This above all- to thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man." --

Hamlet, Act One, Scene Three


“Students are expected to be honest in their academic work. The College at Oneonta defines academic dishonesty as 'any act by a student that misrepresents or attempts to misrepresent to an instructor or any College official, the proficiency or achievement of that student or another student in any academic exercise for the purpose of influencing a grade on a piece of assigned work, on an examination or quiz or in a Course as a whole, or that is intended to alter any record of a student's academic performance by unauthorized means.' It is important for both students and faculty to become familiar with the College at Oneonta Academic Dishonesty policy and procedures.”

Please review the college’s policy and procedures in this regard by reading the above website. Also, please read the document “Plagiarism: What It Is and How To Avoid It” (at [http://www.indiana.edu/~wts/pamphlets.shtml](http://www.indiana.edu/~wts/pamphlets.shtml)). Consider yourself forewarned: cheating will not be tolerated. Do your own work and expect others to do their own as well.

**Note:**

After every semester I receive pleas from students who find themselves in a bind in the following semester because they earned less than a C in one of my courses. Without the C they are unable to register for some other course or get credit for this course for their major. Do what you need to do so that you are not one of these students. (I will do what I can so that it doesn’t happen to you – but you are the essential ingredient.)