

ECON 3010

INTERMEDIATE MICROECONOMICS

Fall 2018

MR. MILLS

THE RULES

Intermediate microeconomics is a core course for the economics major. It is about how economic agents make decisions and how markets work. The prerequisites for this course are microeconomic principles (ECON 2010) and calculus II (MATH 1220 or 1320).

The text for this course is the print/electronic version of Microeconomics, 9th ed., by R. S. Pindyck and D. L. Rubinfeld, available for purchase at the University Bookstore.

Your grade is based on three exams during the semester (90% altogether) and homework and participation (10%). Your best exam grade counts 35%, your second-best exam counts 30%, and your worst exam counts 25%. Exam dates are indicated in the schedule below.* The Student Disability Access Center (SDAC), located in the Elson Student Health Center, makes recommendations to faculty in terms of proposed classroom accommodations for students with disabilities and other medical conditions which are covered under federal legislation.

You are to work alone during exams and sign the pledge. You may use a single page of notes during exams and you may use a calculator. But you must turn off your laptops, tablets, phones, and other electronic devices. If you leave the room and return during an exam, you must leave the exam and your electronic devices in the room. If I observe or am presented with compelling evidence of cheating on an exam, I will record a grade of zero for the exam. If you observe cheating, I encourage you to pursue the matter as prescribed by the Honor System.

You will be assigned to a group of about four students for the purpose of completing homework assignments. The assignments are due on the dates shown below and must be handed in at the beginning of class. Each group will hand in one bluebook. You may collaborate freely with other students (i.e., not just those in your group) in working these assignments; this work is not pledged. Your homework and participation grade will be based on your group's cumulative score on homework assignments and your own participation, in part determined by other members of your group.

The discussion sections scheduled on Mondays and Tuesdays will be problem sessions. You will work with the members of your homework group, and other students, during these sessions. These problem sessions will be tightly integrated with the lectures, and are an essential part of the course.

I will post slides from the lectures, homework assignments and occasional announcements on the course web page. In addition, I will post several online exercises that walk you through the solutions of

problems similar to those in the homework assignments and exams. You may use laptops to take notes during class, although I think you would be better served by using pencil and paper. In any case, as a courtesy to those seated around you, you may not use electronic devices for other purposes during class.

My office is 218 Monroe Hall. I hold regular office hours (first-come-first-seen) on Wednesdays from 3:30 until 5:30 PM. You can catch me after class or make an appointment to see me at other times if you have a conflict during regular office hours. Send e-mail to mills@virginia.edu.

The University of Virginia is dedicated to providing a safe and equitable learning environment for all students. Power-based personal violence will not be tolerated. Everyone has a responsibility to do their part to maintain a safe community on Grounds.

** If you are unable to take an exam at the scheduled time because of intercollegiate competition, illness, or an emergency, and if you notify me of your situation in advance (unless it is an extreme emergency), I will excuse you from the exam and, in its place, allow you to take a cumulative make-up exam on the day/time that the Registrar has designated for a final exam. This is the only time that the make-up exam will be given.*

SCHEDULE AND ASSIGNMENTS

Aug 29 Introduction

Read Pindyck & Rubinfeld, Microeconomics, 1.1 - 1.4, 2.1, 2.2

I. DEMAND

Sep 3 Consumer Choice I

Read Pindyck & Rubinfeld, Microeconomics, 3.1, 3.2

Sep 3 - 4 Organize homework groups

Sep 5 Consumer Choice II

Read Pindyck & Rubinfeld, Microeconomics, 3.3 - 3.5

Sep 10 Consumer Choice III

Sep 10 - 11 Problem Session

Sep 12 Demand I

Read Pindyck & Rubinfeld, Microeconomics, 4.1 4.2

Turn in **Assignment No. 1**

Sep 17 Demand II

Read Pindyck & Rubinfeld, Microeconomics, 2.3, 2.4, 4.3 - 4.5

Sep 17 - 18 Problem Session

Sep 19 Demand III

Read Pindyck & Rubinfeld, Microeconomics, 4.3 - 4.5

Turn in **Assignment No. 2**

Sep 24 Choice with Uncertainty

Read Pindyck & Rubinfeld, Microeconomics, 5.1 - 5.3

Sep 24 - 25 Problem Session

Sep 26 **Exam No. 1** (*covers all material to date*)

II. SUPPLY

Oct 1 Firms and Production

Read Pindyck & Rubinfeld, Microeconomics, 6.1 - 6.4

Oct 1 - 2 Review Exam No. 1

Oct 10 Costs

Read Pindyck & Rubinfeld, Microeconomics, 7.1 - 7.4

III. PERFECT COMPETITION

Oct 15 Competition I

Read Pindyck & Rubinfeld, Microeconomics, 8.1 - 8.5

Oct 15 - 16 Problem Session

Oct 17 Competition II

Read Pindyck & Rubinfeld, Microeconomics, 8.6 - 8.8

Turn in **Assignment No. 3**

Oct 22 Competition III

Read Pindyck & Rubinfeld, Microeconomics, 9.1 - 9.5

Oct 22 – 23 Problem Session

Oct 24 Competition IV

Read Pindyck & Rubinfeld, Microeconomics, 9.6

Turn in **Assignment No. 4**

IV. MARKET POWER AND IMPERFECT COMPETITION

Oct 29 Monopoly

Read Pindyck & Rubinfeld, Microeconomics, 10.1 - 10.4

Oct 29 - 30 Problem Session

Oct 31 Price Discrimination

Read Pindyck & Rubinfeld, Microeconomics, 11.1 - 11.2

Turn in **Assignment No. 5**

Nov 5 Exam No. 2 (*covers all material since first exam*)

Nov 5 - 6 Review Exam No. 2

Nov 7 Quantity-dependent Prices

Read Pindyck & Rubinfeld, Microeconomics, 11.3 - 11.4

Nov 12 Game Theory

Read Pindyck & Rubinfeld, Microeconomics, 13.1 - 13.3

Nov 12 - 13 Problem Session

Nov 14 Oligopoly I

Read Pindyck & Rubinfeld, Microeconomics, 12.2

Turn in **Assignment No. 6**

Nov 19 Oligopoly II

Read Pindyck & Rubinfeld, Microeconomics, 12.3, 12.4

V. MARKET FAILURE

Nov 26 Asymmetric Information

Read Pindyck & Rubinfeld, Microeconomics, 17.1 – 17.4

Nov 26 - 27 Problem Session

Nov 28 Externalities

Read Pindyck & Rubinfeld, Microeconomics, 18.1 – 18.2, 18.4

Turn in **Assignment No. 7**

Dec 3 Public Goods and Common Property

Read Pindyck & Rubinfeld, Microeconomics, 18.5 - 18.6

Dec 3 - 4 Problem Session

Dec 5 Exam 3 (*covers all material since the second exam*)

Dec 12 Make-up Exam (2:00 PM)