

Economics 3411
Microeconomic Theory
Spring Semester, 2018

Dr. Adrian Austin
1315 Business Building
Phone: (678) 839-4773

E-mail: Use the CourseDen/Desire2Learn mail utility found on the course toolbar for all course related questions. All email will be answered within 1 business day.

Office Hours:

Tuesday **10:00A – 11:30A & 3:30P – 5:00P**
Thursday **10:00A – 11:30A & 3:30P – 5:00P**
Other times and online: **By appointment**

Course Description:

The course develops models of the economic behavior of consumers, firms, and government. The topics include: supply and demand, competitive equilibrium and the role of prices in resource allocation, non-competitive market structures, game theory and strategy, externalities, public goods and public policy.

Course Objective:

This course seeks to help you develop the tools necessary to analyze and investigate various economic problems. To do this we will expand the concepts that you learned in Principles of Microeconomics to develop richer, more flexible (and more complex) economic models.

The course is (necessarily) more quantitatively oriented than the introductory class (i.e. more mathematics). Graphs and pictures can provide insight, but the real power of economic analysis comes in calculating quantitative answers to economic problems.

For every economic problem, we shall look initially at the simplest case containing the fundamental issues. Second we will construct a model (using graphical and algebraic tools) that represents the fundamental issues. Then we shall solve the model to see what economic intuition we can derive from it. Finally we will expand the model to make it look more like the "real world." The goal is for the models to provide us with an intuitive explanation (and predictions) of the choices made by economic agents (consumers, producers, governments etc.). (LO2.1, LG4, LG6)

Note. A complete list of expected Learning Goals and Objectives can be found at the Richards College of Business web site (http://www.westga.edu/business/undergrad_learning_goals.php).

Texts (Required):

Microeconomics and Behavior, 9e. Robert H. Frank.

We will use the McGrawHill **Connect** portal that goes along with this textbook. Connect is embedded in CourseDen. Registration for Connect is included with the purchase of a new book. There are two options for buying your book this semester:

- i) You can buy a new hardcopy of the book and use the access code within. A used code will not work. (If you buy a used book, you will still have to purchase online access separately.)

- ii) You can buy the textbook online and access to connect at the specially reduced (for UWG) price. If you choose this option there is a grace period during which you can use Connect without paying. Please see the Connect site for details.

Connect is integrated into CourseDen. You can follow the link in the McGraw Hill widget at the bottom of the course homepage.

Alternate Texts (on reserve in my office):

Price Theory and Applications, 9e. Steven E. Landsburg

For the ambitious:

Microeconomic Theory, Basic Principles and Extensions. Walter Nicholson.

Structure:

I. Introduction and review of "Principles of Economics."
Chapters 1 & 2

II. Consumer Theory (in which we study how consumers choose to spend their incomes)
Chapters 3 & 4

EXAM 1

III. Further topics in consumer theory (in which we study decision making under uncertainty and departures from "rational choice")
Chapters 6 & 7

IV. Producer Theory (in which we study how firms make input and production decisions)
Chapters 8 & 9

EXAM 2

V. Perfect competition and the gains from trade (in which we study the interactions of consumers and producers under certain "ideal" conditions)
Chapters 10 & 17

VI. Not-so-perfect competition (in which we study the interactions of consumers and producers without the "ideal" conditions)
Chapters 11, 12, & 13

EXAM 3

VI. Further topics (time permitting)

FINAL EXAM Covers Everything

This schedule may change as the class progresses. Any changes will be announced in class and on the class website.

Exams:

There will be three midterms and a final exam. Each exam (including the final) is worth 25%. The lowest score of the three midterms will be dropped. The final exam is cumulative and will not be dropped.

There will be NO makeup exams.

You may bring a sheet of notes to all exams. The sheet of notes must be no larger than $8\frac{1}{2} \times 11$ inches and handwritten.

Homework:

Homework/quizzes/participation will account for 25% of your grade.

There will be group homework assignments as well as individual assignments.

Each group must have 2 to 4 people. Groups cannot change during the semester.

Late homework assignments will not be accepted.

There is a penalty for not stapling your homework.

If you turn in all the homework assignments, the lowest score will be dropped.

There will be NO makeup homework.

Quizzes will be available on CourseDen.

Attendance:

Attendance is not mandatory, but highly recommended. You are old enough to make your own informed decisions (and face the consequences). I will take roll for the attendance bonus calculated at the end of the semester.

<i>Attendance</i>	<i>Outcome</i>
More than five absences	No bonus
Five absences	+1 added to your course grade
Four absences	+2 added to your course grade
Three or fewer absences	+3 added to your course grade

To be counted present, you must be on time and stay for the entire class. There are no excused absences for the bonus.

Grade:

Your course score will be calculated in the following manner:

$$0.25 \times \text{Best Midterm} + 0.25 \times 2^{\text{nd}} \text{Best Midterm} + 0.25 \times \text{Final} + 0.25 \times \text{Classwork} + \text{Bonus Points} - \text{Penalties}$$

Course Score (rounded to the nearest digit)	Course Grade
90 – 100	A
80 – 89	B
70 – 79	C
60 – 69	D
Less than 60	F

To get the most out of this class:

Pre and post read all assigned readings.

Turn in all assignments.

Spend about 5 hours a week studying the material.

Come to class and ask questions.

If you are having difficulty with the material, come to my office hours. PLEASE DON'T WAIT UNTIL YOU ARE COMPLETELY LOST.

Common Language for Course Syllabi

Students should review the following information each semester, because these statements are updated as federal, state, university, and accreditation standards change.

<https://www.westga.edu/UWGSyllabusPolicies/>