

Syllabus “Intermediate Microeconomics” ECO 3101, Fall 2015

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Office hours: Tue, Thu 1:30-3:00pm or by appointment.

Time: Tue, Thu 11:00am-12:15pm
Location: Green Library 165

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Tutoring Hours: Tue, Thu 9-11am, VH 136

Objectives: Why does a small interruption to supply has a big effect on the price of gasoline, but is hardly felt in the price of coffee paid by consumers? Why does a bottle of organic orange juice costs less at an upmarket grocery store than at a neighborhood supermarket? Should one buy a used car privately or from a dealership? How should society regulate environmental pollution? Could firefighting not be provided by the market, rather than the government? These and other questions will be answered in this course, which will provide an introduction to the most important building blocks of microeconomic theory. Its aim is twofold: Firstly, to provide the student with the theory and tools to formally analyze economic interactions and build strong foundations for upper level courses. Secondly, to relate the theory to real life situation and equip the student with an intuitive understanding of the economic phenomena one encounters on a daily basis.

Prerequisites: The only formal prerequisite for this course is ECO 2023 (Principles of Microeconomics). However, the course makes heavy use of mathematical tools in its formal analysis. For that reason, the student should be comfortable with basic algebra and graphic depictions of mathematical functions. Basic knowledge of calculus (derivatives with respect to one variable) will be of advantage, but the calculus needed will be explained when applied.

Requirements and grading schemes: There will be weekly (with the exception of midterm and Thanksgiving weeks) online problem sets. These will be automatically graded and summed up at the end of the semester. While you will have to submit the problem sets individually, you are *encouraged* to study and work work in groups on them. In addition, there will be two midterms and one accumulative final exam. The material covered in the second midterm will necessarily build upon previous material; in that sense it might also be considered accumulative. The composition of your final grade will look like this:

Weekly Problem Sets:	20%
1 st Midterm:	20%
2 nd Midterm:	20%
Final Exam:	40%

I will not give letter grades on individual assignments. At the end of the semester grades will be curved based on your total score.

Textbook: You are *required* to purchase six month McMillan LaunchPad access to the course. This access comes with an electronic version of the textbook, you therefore do *not* need to buy the packages including the bound or loose leave versions of the textbook, unless you would want to also have it print.

The textbook is: *Goolsbee / Levitt / Syverson, Microeconomics, 1e*

Follow the following steps to get started. If you need additional guidance, consult the student [Quick Start](#) guide, especially the [system requirements](#) which list recommended browsers.

1. Go to <http://www.macmillanhigher.com/launchpad/gls1e/1832181>
2. **Bookmark** the page to make it easy to return to.
3. **Enroll** in our course using one of the following options:
 - a. If you have an access code, select “I have a student access code,” enter the code exactly as it appears on the card, and click Submit.
 - b. If you don’t have an access code, either purchase a text package that includes one OR click “I want to purchase access” and follow the instructions.
 - c. If you need to start working but can’t purchase right away, select “I want temporary access” and follow the instructions.

If you have problems registering, purchasing, or logging in, please contact Customer Support. You can reach a representative 24 hours a day, 7 days a week:

- through the [online form](#)
- by chat

Or from 9 a.m. to 3 a.m. EST, 7 days a week:

- by phone at [\(800\) 936-6899](tel:8009366899)

Policies Concerning Academic Misconduct: It is imperative that students become aware of FIU’s definitions of and policies toward academic misconduct. These policies may be found on the FIU web-site at Academic Misconduct and Code of Academic Integrity (<http://www2.fiu.edu/~oabp/misconductweb/1acmisconductproc.htm>).

Students with Disabilities: If you have specific physical, psychiatric or learning disabilities that require accommodations (such as a note taker or special testing arrangements), please let the instructor know early in the semester so your learning needs can be appropriately met. You will

need to provide documentation of your disability to the Disability Resource Center, GC 190, (305) 348-3532.

Course outline:

Week 1: Introduction & Supply and Demand

Chapter 2.1-2.4

Week 2: Supply and Demand Cont.

Chapter 2.5

Chapter 3.1-3.3

Week 3: Supply and Demand Cont. & Consumer Behavior

Chapters 3.4-3.5

Chapters 4.1-4.3, Appendix

Week 4: Consumer Behavior Cont. & Individual and Market Demand

Chapters 4.4

Chapters 5.1-5.2

Week 5: Individual and Market Demand Cont.

Chapters 5.3-5.5

Week 6: Producer Behavior & 1st Midterm

Chapter 6.1-6.4, Appendix

1st Midterm: Thu October 1 (up to Individual and Market Demand, Chapter 5).

Week 7: Producer Behavior & Costs

Chapters 6.5-6.7

Chapter 7.1-7.4, Appendix

Week 8: Costs Cont. & Competitive Markets

Chapters 7.5-7.6

Chapters 8.1-8.3

Week 9: Competitive Markets Cont. & Market Power and Monopoly

Chapters 8.4-8.5

Chapters 9.1-9.3, Appendix

Week 10: Market Power and Monopoly & Pricing Strategies

Chapters 9.4-9.6

Chapters 10.1-10.3

Week 11: Pricing Strategies Cont. & Externalities and Public Goods
Chapters 10.4-10.6
Chapter 16.1-16.3

Week 12: Externalities and Public Goods Cont. & 2nd Midterm

2nd Midterm: Thu November 12 (up to Pricing Strategies, Chapter 10)

Week 13: Asymmetric Information
Chapter 15

Week 14: Game Theory
Chapter 12

Week 15: Buffer Session and Review

**FINAL EXAM: Thu December 10 9:45-11:45am
CBC 142**