

Course Syllabus
Applied Microeconomics: Consumers, Producers, and Markets
APEC 3001 – Fall 2016
Last Edited 31 August 2016

Objective

This is a course in intermediate microeconomics. Its aim to teach you how to use the tools of microeconomic theory to understand how markets allocate scarce resources and how consumers and producers make decisions. Some knowledge of calculus is therefore required; we will review the mathematical techniques you need to keep up with the course.

Instructor

Professor Jason Kerwin
316C Ruttan Hall
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Teaching Assistant

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213 Ruttan Hall
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Textbook

We will make extensive use of the following textbook:

Austan Goolsbee, Steven Levitt, and Chad Syverson (2012)
Microeconomics, 1st edition
Worth Publishers

Please make sure you get the correct edition of this book. There is a newer 2nd edition but I wanted to make sure you can buy the book used if you want to. I advise you to buy the textbook, but copies of the book will be placed on 2-hour reserve in both McGrath Library and Waite Library. You should always read the in-text calculus appendices for all the assigned chapters. In addition, I will sometimes assign the online calculus appendices as readings. When I do, I will make them available on the course's Moodle site.

Lectures

Tuesdays and Thursdays, 10:15-11:30 AM in B45 Ruttan Hall.

Lectures will be cover similar material to the textbook but will also go into more detail in certain areas and cover topics that the textbook misses. You are therefore strongly encouraged to take notes in class. To help you do so, I will make the slides available ahead of time. Writing notes on a printed copy of the slides, and then transcribing them into clean handwriting at the end of each

week, is an important tool to help you learn the material. Attendance at lecture will factor into your participation grade, as noted below.

Discussion sections:

Fridays, 10:40-11:30 AM or 11:45-12:35 PM in McNeal Hall 10.

Discussion sections will focus on reviewing concepts that the class finds difficult and going over practice problems. You are expected to attend the discussion section in which you are enrolled each Friday. Attendance at discussion sections is factored into your participation grade, as noted below. When homework assignments are due the following Tuesday, you should look over the assignment before the Friday discussion section so you can ask the teaching assistant relevant questions.

Assignments and Grades

Your grade in this course will be a weighted average of four components:

1. Final – 40%

The final is a comprehensive exam, held during finals week. It will be worth 40% of your grade.

2. Midterm Exams – 40% (20% each)

There will be two mid-term exams held during the semester. The second exam will not be comprehensive – it will only cover material since the first exam. These exams are each worth 20% of your grade.

3. Problem Sets – 10%

I will regularly assign problem sets over the course of the semester. Problem sets will be due lecture one week after they are posted on the course Moodle site. I plan to assign 7 problem sets over the course of the semester, but this is subject to change as I adapt the course schedule to the comfort level of the class. These will be loosely graded, with full credit awarded if you complete all the problems. However, I urge you to take these seriously: practicing solving economics problems is the single best way to learn the material and to prepare for the exams.

4. Participation – 10%

You will be graded on your participation in lecture and section. I will make it a point to learn your names, and so will have a good sense of whether you are attending lecture and participating actively – by answering questions and by asking for clarification. I will also be aware of the level of respect you show to your peers and your instructors. To make sure you attend section, your TA will keep track of your attendance, which will count toward your participation score. Participation is worth 10% of your grade. You are not guaranteed to receive all 10 percentage points; I expect participation grades to range from 0 to 10.

Late and Missed Assignments and Exams

There will be no make-up exams. If you have a justifiable absence from an exam, the other exams will account for the entirety of your exam grade (making an adjustment for the class mean on the exam you miss). If your absence from an exam is not justified, you will receive a grade of zero.

Academic Misconduct

Students found to be guilty of academic misconduct will receive an F for the quiz, or exam and may receive an F for the course. Serious cases of academic misconduct may necessitate the involvement of higher levels of the university administration. Academic misconduct includes cheating on problem sets or exams. Students may work together on problem sets, but each student should write their own problem set.

Grading Policy

Consistent with prior terms of 3001, I plan to aim for a class average of a B. This means that I will grade the class on a curve, and what matters is your performance relative to that of other students. Your overall grade in the course will be based on the weighted average described above, but I will also look at trends in your performance. If you do badly on the first midterm but excel on the second midterm and the final, I will adjust your grade to reflect that.

Should you disagree with the grade you receive on an assignment, you must submit a written explanation of why you deserve a higher grade within one week of receiving the graded assignment. I will not discuss re-grade requests that are submitted late, or verbal requests, because I want to document the grading process and make it fair for all students. I will not consider any frivolous re-grade requests: all requests for re-grades must be based on legitimate grading errors, and not a desire or need for a higher grade.

Calendar

Below is a *tentative* schedule for the semester. I will move through the material at a pace at which the entire class is comfortable, so this schedule is subject to change: it is more important to ensure that everyone is learning than to stick to a strict calendar for the course. When the calendar changes I will send an updated version.

Date	Topic	Reading	Problem Sets
Sep. 6	Course Introduction	Ch. 1	
Sep. 8	Supply & Demand	Ch. 2	
Sep. 13	Supply & Demand	Ch. 2 Online Appendix	PSet #1 Posted
Sep. 15	Elasticities		
Sep. 20	Elasticities		PSet #1 Due
Sep. 22	Using Supply and Demand	Ch. 3	PSet #2 Posted
Sep. 27	Using Supply and Demand		
Sep. 29	Using Supply and Demand		PSet #2 Due
Oct. 4	Externalities and Public Goods	Ch. 16	PSet #3 Posted
Oct. 6	Externalities and Public Goods		
Oct. 11	Consumer Behavior	Ch. 4	PSet #3 Due
Oct. 13	Midterm Exam 1 in class		
Oct. 18	Consumer Behavior		
Oct. 20	Individual and Market Demand	Ch. 5	PSet #4 Posted
Oct. 25	Individual and Market Demand		
Oct. 27	Producer Behavior	Ch. 6	PSet #4 Due
Nov. 1	Producer Behavior		
Nov. 3	Costs	Ch. 7	PSet #5 Posted
Nov. 8	Costs		
Nov. 10	Supply in a Competitive Market	Ch. 8	PSet #5 Due
Nov. 15	Supply in a Competitive Market		
Nov. 17	Market Power: Monopolies	Ch. 9	PSet #6 Posted
Nov. 22	Midterm Exam 2 in class		
Nov. 24	Thanksgiving – No Class		
Nov. 29	Market Power: Monopolies		PSet #6 Due
Dec. 1	Market Power: Pricing Strategies	Ch. 10	
Dec. 6	Imperfect Competition	Ch. 11	
Dec. 8	Imperfect Competition		PSet #7 Posted
Dec. 13	Game Theory	Ch. 12	
Dec. 20	Final Exam, 1:30-3:30 PM in B35 Ruttan Hall		