

University of Oklahoma
Department of Economics
2022 Fall

ECON 3113: Intermediate Microeconomic Theory

Professor MJ Kim

Office: 308 Cate Center Drive, Room 432

Class schedule: Mon. and Wed.

email: mjkim@ou.edu

Classroom: online

Tentative syllabus: more details and adjustments TBA on Canvas and/or via email

- **Communications:** Communications will be accomplished primarily through Canvas and by email. All pertinent student emails will be answered within 24- 48 hours of their arrival, unless prior notice of a delayed response is provided. For a quicker response please put the course prefix and number in the subject line (e.g., ECON3113: Question about the Syllabus).

- **Email Account and Canvas:** Students are expected to check their OU email accounts and the course site on Canvas daily for updates from the professor.

- **Office Hours:** by appointment **online**. The zoom link for the office hours is:

<https://oklahoma.zoom.us/j/93075893876?pwd=WWZpR0J4M2VlMkZKS2Zxd2VLZWJpUT09>

- **No attendance check.** Attendance rate does not affect final grades.

- **The class will be held in person as originally scheduled. But, "video-recorded lectures" will be provided/posted on the course website for those of you who prefer taking the course online (not coming to the classroom) and/or need accommodation due to their health concerns. That being said, feel free to choose either one that works best for you: i.e. watch the video-recorded lecture every MW or attend the class in person every MW or mix of both.**

Course Description

Intermediate Microeconomic Theory is “ the branch of economics that studies the specific choices made by consumers and producers. Although the basic outline and content of this course are similar to those of the principles of microeconomics course, there are some important differences. First, this course incorporates mathematics into models along with graphs. Economics is concerned with resource allocation, so we want to be able to create precise models that can be solved for optimal quantities. Although graphs and verbal explanations are helpful, using math allows us to better quantify these economic agents’ decisions. Second, in intermediate microeconomics the level of analysis is deeper than in principles. We examine the details of why the relationships such as the law of demand or the law of supply exist and when they don’t apply. Finally, intermediate microeconomics has a greater policy focus than the principles of microeconomics course. Understanding the economic behavior of consumers and producers is the key to developing appropriate policies. We can also use this deeper knowledge to attempt to predict how various policies affect individuals’ and firms’ incentives and change their behaviors.” (Goolsbee, Levitt, Syverson, 2nd edition)

Course Material

The textbook for the course is: **Goolsbee Leitt Syverson, Microeconomics**, 2nd edition or 3rd edition, Worth publishers. This book is available at the OU bookstore, or you can buy it [online](#). Previous editions are available through various outlets: these are fine to use as well.

Teaching Assistant/Grader

TA : Junyeol Ryu
Contact Info. : *junyeol.ryu - 1@ou.edu*

Office: 236 CCD1
Office Hours: Mon. 3pm - 4:30pm & by appointment

Course Web Page

Class announcements and homework announcements will be posted on the course web (Canvas). It is students' responsibility to check the site regularly. All important announcements will be posted on it.

Homework (multiple choice questions) will be assigned on **Canvas** as well.

Grading

1. **Problem sets will count for 10% of the course grade, Discussion for 10%, quizzes for 15%, the midterm exams for 30% and the final for 35%.**
2. "Grading on the curve:" All exams and quizzes will be curved. Curved scores will be posted on Canvas. No curves in homework grading.
3. Assigning final letter grades: If your final cumulative score is at least 90% out of 100% then your final letter grade will be an A. If your final cumulative score is less than 90% and at least 80% then a B. If less than 80% and at least 70% then a C. If less than 70% and at least 60% then a D. The lowest grade is F. That is, Letter grades: A: 89.5-100 B: 79.5-89.4 C: 69.5-79.4 D: 59.5-69.4 F: less than 59.5
4. **No credit and/or points negotiation.**

Problem Sets

- Several problem sets will be assigned. Refer to the course web site for the dates in which the assignments are due. **NO credits for late homework submissions.** The worst grade in the problem sets will not be counted for your final grade.
- Students are expected to use them as tool to prepare for quizzes/exams. The quiz/exam questions will at times follow these questions closely and sometimes even using them.
- Students can find homework instructions and homework deadlines on the course website.
- Assignment Accessibility and Submission Guidelines:
 - To access your homework assignment, please click on the module "Quizzes". Clarification: It will be graded as an assignment, not as a quiz. You can also access your homework assignment by clicking on the module "Assignments" however, it will redirect you to the Quizzes tab. Please be assured, this is a homework assignment, NOT a quiz.
 - You have unlimited attempts at working on your homework assignment.
 - You will not be able to view your correct/incorrect responses after submission. The answer key will be posted after the deadline.
 - The homework assignments will consist of multiple choice questions and open ended question(s).
 - If you have any questions, please feel free to email the TA or meet her/him in her/his office hours.
- It is your responsibility to get access to Canvas. No submission by email is accepted unless **exceptions approved by the professor.**

Discussion

Discussion assignments require that you post your contribution first, read the answers posted by your classmates, and give at minimum 2 responses to other postings, unless otherwise directed.

Each discussion post is worth up to 10 points. 6 points for your original post and 4 points for your response to a classmate. There will be 8-10 discussions during the semester.

Discussion topics open each Sunday at 11:59 p.m. and close Friday at 11:59 p.m. of the lesson week.

How do you earn the points?

Elements included in the evaluation of discussion board participation will include evidence of critical thinking, clear identification of the issues, understanding problems, and the ability to propose and evaluate solutions. All participants are expected to welcome open expression of opinions, attitudes, and beliefs and to accept the legitimacy and value of dissent. In addition to respect for the ideas of your classmates and the instructor, common courtesy is also expected.

Responses which demonstrate a high level of critical thinking skills and respect for the view of others will receive full credit. Responses which display lower levels of critical thinking skills or no critical thinking skills or which fail to engage substantively and respectfully with other's views will receive correspondingly lower grades.

Please be sure to post the URL link to your source(s) if any.

Your INITIAL discussion post should be two to three paragraphs in length, with each paragraph consisting of eight to ten substantive sentences. Remember the first posting is due on Wednesday at 11:59 p.m.

Your RESPONSE post should consist of one or two paragraphs in length. You are free to respond to any initial post that has not received a response. Your reply is due on Friday at 11:59 p.m.

Replies to classmates like "I agree," and "That's great!" will receive ZERO points. You must post a substantive response to their original post. Think about how you would respond in a face to face classroom discussion. You can take your time in an online discussion to put your responses together, so this gives you the ability to ensure you have a thoughtful response. (*Note: A three page response will not lend to a quality discussion either. Consider length on both ends of the spectrum.)

See the instructions given in each discussion board thread for information about the requirements for the given thread. Remember that discussion board participation is graded both on adherence to the assignment and upon the quality of the given response. Also, remember that **discussion will count for 10% of the course final grade.**

Discussion Board and Feedback Guidelines

In your communication with other students, please:

- Expand on or clarify an important point.
- Offer an additional argument to support a position taken in an answer.
- Suggest ways in which an idea could be more clearly expressed.
- Identify passages where you think the writer misunderstood a concept or applied it incorrectly.
- Disagree with a point or position made in an answer.

If you disagree with the views of another student, please:

- Be constructive and respectful. Remember that tone cannot be interpreted from text, so please be thoughtful in your written responses.

- Politely critique a position on an issue, but not the person.
- Avoid sarcasm, swearing, or language that would be considered rude or argumentative.
- State precisely the point you disagree with.
- Offer reasons why you think their view is incorrect and support your position by citing the text or other sources.
- Student Responsibilities
 - The purpose of Discussion Board Assignments is for students to reflect thoughtfully and exchange ideas of the academic topics covered in this course. As a class, you will benefit from this assignment only as much as you put into it. Last minute posts that are inaccurate, sloppy, unorganized, and unclear are not beneficial and will receive a grade reduction. If you find that a post is unclear or inaccurate, it is your role to ask your classmate for further clarification or to point out the inaccuracy. If someone replies to your post with a question, you owe him or her the courtesy of a response. You are also responsible for posting your answers and replies on time.

I will also comment where appropriate on the posts or discussion threads. I may correct inaccuracies or lead discussions where there is confusion, and also look forward to reading posts or discussions that are particularly thoughtful, insightful, or well written.

Quizzes

- There will be 3 quizzes in class. It is students' responsibility to check the dates in which the quizzes are scheduled. The worst grade among the two will not be counted for your final grade.
 quiz 1 : Sep. 21, Wednesday, online
 quiz 2 : Oct. 19, Wednesday, online
 quiz 3 : Nov. 21, Monday, online
- If you miss all 3 quizzes, the weight will be shifted to the final exam.
- **Note that if you take at least one out of the quizzes**, then there is no weight shift to the final exam because the one that you take will be counted.
- NO makeup quizzes unless there are unavoidable exceptional circumstances verified by the College of Arts & Sciences. In case of such unavoidable exceptional circumstances it is the students' responsibility to inform the professor at least 24 hours prior to the start of the quiz in written form. Any medical conditions resulting in unavoidable exceptional circumstances require documentation from Student Health Services at the University of Oklahoma.

Exams

There are two midterm exams. They cover the class material and homework problems *for the corresponding period*.

Midterm 1 : (tentative: Chapters 1-6) - Oct. 5, Wed. online

Midterm 2 : (tentative: Chapters 6-9) - Nov. 2, Wed. online

Final Exam Preparation Period

Pre-finals week will be defined as the seven calendar days before the first day of finals. Faculty may cover new course material throughout this week. For specific provisions of the policy please refer to OU's Final Exam Preparation Period policy (<https://apps.hr.ou.edu/FacultyHandbook#4.10>).

There is a **cumulative final examination** scheduled

Final exam : online; **December 12, 2022, Monday**

You are responsible for **double-checking** your own final exam schedule.

Exam Policy

1. All exams will be carbon-copied to keep a record of completion.
2. NO makeup exams for missed midterm exams.
3. **The worst grade among the two midterm exams will not be counted for your final grade.**
4. **If you miss one midterm exam, then the other midterm exam has a weight of 30%.**
5. **Note that if you take one out of the two midterm exams**, then there is no weight shift to the final exam because the one that you take will be counted.
6. **If you miss both midterm exams, then the weight will be shifted to the final exam (then the final exam has a weight of 65%).**
7. **If you miss both midterm exams and all the three quizzes, then the weights will be transferred to the final exam. In this case, the final has a weight of 80%.**
8. Failure to take the final exam will automatically result in a course grade of F unless there are unavoidable exceptional circumstances verified by the College of Arts & Sciences. In case of such unavoidable exceptional circumstances it is the students' responsibility to inform the professor at least 24 hours prior to the start of the final exam in written form.
Any medical conditions resulting in unavoidable exceptional circumstances require documentation from Student Health Services at the University of Oklahoma.
9. If there are any exam schedule conflicts with other classes, it is the students responsibility to inform the professor at least 7 days prior to the exam.
10. **The quiz/exam is an open book test BUT have not allowed to discuss the quiz/exam with the others. Your answers must reflect independent effort. That is, "You may consult your textbook, notes, and standard Internet resources when taking the exam/quiz, but your work must be original, and you may not solicit or obtain assistance from or provide assistance to other people for any specific content on the exam/quiz. Activities considered cheating include (but are not limited to) copying or closely paraphrasing content from websites, discussing exam/quiz questions with other students, and asking for help with specific questions on Internet forums. All exams/quizzes are checked for originality and copied contents, and anyone found cheating will be assigned a failing score (F) for the exam/quiz."**
11. Allowed to use a calculator and scratch papers. Engineering/Scientific calculators are not allowed.
12. You have one chance to request a regrading after each exam. Any requests for regrading of exams must be submitted within one week from the date that exams are returned in class, and must be done in written form. The one-week period for submission of exams for regrading begins on the date that the exams are returned in class and not from the date that you pick up the exam. If you miss the class during which the exams are returned, it is your responsibility to pick up your graded exam within the one-week period. If a regrade is requested, the whole exam is subject to regrading. Submitted exams must be in original condition. Alternation of answers may lead to violation of course policies. No regrading of homework.
13. **NO cheating in exams/quizzes.** Cheating is the fraudulent or dishonest presentation of work. Cheating policy: F in course and reported to the CAS Dean's office for investigation and possible referral to the CAS Academic Conduct Committee.¹

¹For College of Arts & Sciences students, charges of academic misconduct beside cheating on exams, such as theft of examinations, plagiarism, alteration of work after submission, or alteration of records, are referred to the CAS Dean's office for investigation and possible referral to the CAS Academic Conduct Committee.

Students are advised that, by vote of the College faculty, the penalty against College of Arts & Sciences students for cheating on examinations or for plagiarism may be "... expulsion from the University or such other penalty as may be recommended by the Academic Conduct Committee, subject to approval by the dean." All students are responsible for having read the College of Arts & Sciences Academic Conduct Code.

Class Participation/Attendance

Class attendance is not a component of course grades.

Other policies you must know

1. In class policy
 - (a) This class cannot be taken pass/fail.
 - (b) Students should check the class website regularly since all important announcements will be posted on it.
 - (c) **Extra credit questions (1 or 2 pop-Qs) will be offered each lesson.** This is optional (i.e. extra credit). You solve and document them after each class yourself. It must be **saved as .pdf (a single document) and submitted to Canvas (click on the 'Assignment' tab in the left navigation bar) on Dec. 12, 2022. Any extra credit Qs submitted outside this window(period) will not be counted. Do not submit them before/after the final exam day. For full credits, you must show all your work in detail even for multiple-choice questions. Please note that this extra credit opportunity is optional. Not submitting this upon your preference and convenience is fine.**
2. Late Work: Except in cases of documented serious illness or documented emergency no late work will be accepted. Technical difficulties do not qualify as an emergency unless the problem is severe, prolonged, and on the server end (the problem is with Canvas). In such cases, the due date will be modified and a new due date specified. Expect technical difficulties on your own end and make arrangements for a secondary location from which to post and/or an alternative Internet Service Provider.
3. Posting Difficulties: Files which do not post correctly in the assignments area or responses which do not correctly post on the discussion board will not be accepted for a grade. If your file does not post (you are timed out, for example), becomes corrupted, contains a virus, or if your response is blank/partial, you should re-post prior to the deadline so that you may receive a grade. Always check to see that your response or file has correctly posted before you exit Canvas. Be sure to post in advance so that you have enough time to correct for any posting difficulties.
4. Academic Integrity: Cheating is strictly prohibited at the University of Oklahoma, because it devalues the degree you are working hard to get. As a member of the OU community it is your responsibility to protect your educational investment by knowing and following the rules. Absolutely no incidences of academic misconduct will be tolerated in this course. See the Academic Integrity website for more information.
5. Special Accommodations: Any student in this course who has a disability that may prevent the full demonstration of his or her abilities should contact me personally as soon as possible so we can discuss accommodations necessary to ensure full participation and facilitate your educational opportunities.
6. Students requiring academic accommodation should contact the Disability Resource Center for assistance at (405) 325-3852 or TDD: (405) 325-4173. For more information please see the Disability Resource Center website <http://www.ou.edu/drc/home.html>
7. Religious Holidays: It is the policy of the University to excuse absences of students that result from religious observances and to provide without penalty for the rescheduling of examinations and additional required class work that may fall on religious holidays.
8. Since online courses allow students to complete course work around their unique schedules, and because you are given assignments well in advance of their due dates, most religious holidays should not conflict with the class schedule for this course. However, if you do have plans to observe a religious holiday, please notify your instructor as soon as possible in order to make appropriate arrangements for class work or rescheduling of assignments.

9. Adjustments for Pregnancy/Childbirth Related Issues: Should you need modifications or adjustments to your course requirements because of documented pregnancy-related or childbirth-related issues, please contact me as soon as possible to discuss. Generally, modifications will be made where medically necessary and similar in scope to accommodations based on temporary disability. Please see www.ou.edu/content/eoo/faqs/pregnancy-faqs.html for commonly asked questions.
10. Title IX Resources: For any concerns regarding gender-based discrimination, sexual harassment, sexual misconduct, stalking, or intimate partner violence, the University offers a variety of resources, including advocates on-call 24.7, counseling services, mutual no contact orders, scheduling adjustments and disciplinary sanctions against the perpetrator. Please contact the Sexual Misconduct Office 405-325-2215 (8-5, M-F) or OU Advocates 405-615-0013 (24.7) to learn more or to report an incident.
11. Incompletes: The OU College of Arts and Sciences advises its faculty to be very strict about the conditions under which a student is allowed to take an incomplete in a regularly scheduled, letter-graded course. A grade of Incomplete (I) will be given only for a justifiable reason (due to unavoidable circumstances, not lack of planning on the student's part) and only if the student is passing the course. It is the responsibility of the student to request a grade of "I" and to meet with the instructor as early as possible to determine requirements for completing the course. Any incomplete granted must be removed by the deadline specified by the instructor. The time limit set for removal of an incomplete will take into account the circumstances of the situation but may not exceed one calendar year.

Course Outline (*preliminary*)

The actual time spent on each topic is likely to be adjusted as the semester proceeds. The corresponding chapters are based on the 2nd edition of the textbook.

1. Basic Concepts:

1.1 Introduction: Microeconomics (Ch. 1) **Lecture 1**

1.2 Supply and Demand (Ch. 2)

1. REVIEW of Supply and Demand Curves - **Lecture 2 (no video-recorded but reading material assigned)**
2. REVIEW of market Equilibrium
3. Elasticity - **Lectures 3 & 4**

1.3 Using Supply and Demand to Analyze Markets (Ch. 3) - **Lectures 5, 6, & 7**

1. Consumer and Producer Surplus
2. Price and Quantity Regulations
3. Taxes and Subsidies

2. Consumption and Production:

2.1 Consumer Behavior (Ch. 4) - **Lectures 8, 10 & 11**

1. Consumer Preference and Utility
2. Indifference Curves
3. Budget Constraint
4. Combining Utility, Income, and Prices
5. Quiz1 - - **Lecture 9**

2.2 Individual and Market Demand (Ch. 5) - **Lecture 12**

1. Income and Substitution Effects
2. Impact of Changes in Another Good's Price
3. **Deriving Individual Demand and Market Demand Curves - Lectures 14 & 15**
4. **Midterm Exam1 - Lecture 13 (test on ch3 and ch4)**

2.3 **Costs (Ch. 7) - Lecture 15 & 16**

1. Opportunity Costs
 2. Sunk Costs
 3. Costs and Cost Curves
 4. Average and Marginal Costs
 5. Economies of Scale
 6. **Quiz2 - Lecture 17** (test on ch5 and ch7)
- 2.4 **Producer Behavior (Ch. 6) - Lectures 18, 19 & 20**
1. Production in the Short Run / Long Run
 2. Returns to Scale
 3. Technological Change
3. Markets and Prices:
- 3.1 Supply in a Competitive Market (Ch. 8) - **Lectures 22 & 23**
1. Market Structures
 2. Perfect Competition in the Short Run / Long Run
 3. Profit Maximization
 4. Producer Surplus, Economic Rents, and Economic Profits
 5. **Midterm Exam2 - Lecture 21** (test on ch6 and ch7)
- 3.2 Market Power and Monopoly (Ch. 9) - **Lectures 24 & 25**
- 3.3 Pricing Strategies for Firms with Market Power (Ch. 10) *if time allows*
1. Direct Price Discrimination I: Perfect/First-Degree Price Discrimination
 2. Direct Price Discrimination II: Segmenting/Third-Degree Price Discrimination
 3. Indirect/Second-Degree Price Discrimination
 4. **Quiz3 - Lecture 26** (test on ch8 and ch9)
- 3.4 **Imperfect Competition (Ch. 11) - Lectures 27 & 28 (& 29)**
1. Oligopoly: Bertrand Competition
 2. Oligopoly: Cournot Competition
 3. Oligopoly: Stackelberg Competition
 4. Monopolistic Competition
 5. **Final Exam - on December 12, 2022, Monday**
- 3.5 Game Theory (Ch. 12) *if time allows*
- 3.6 Factor Markets (Ch. 13) *if time allows*