

Economics 310: Applied Microeconomics  
Spring 2009  
Syllabus

Instructor: Katy Rouse	Class Time: MWF 2:00-2:50pm
Office: Phillips Annex 200	Class Location: Gardner 008
Email: felter@email.unc.edu	Office Hours: MWF 1:00-1:50
Course Website: www.unc.edu/~felter/econ310.html	TA: Olesya Fomenko Email: fomenko@email.unc.edu

*Note: This class is the intermediate microeconomics class for non-majors. It does NOT fulfill the intermediate microeconomics requirement for majors.*

**Required Texts:** Price Theory & Applications, 6<sup>th</sup> ed. Steven E. Landsburg (2005)  
ECON 310 Course Packet (available at the student bookstore)

**Recommended Text:** Price Theory & Applications: Study Guide  
Copies of the study guide are also on reserve at the undergraduate library.

**Course Objectives:** Economics is a social science that examines how individuals decide what goods to make, how much of each to make, for whom goods are made, and how scarce resources are allocated to produce each good. Economics assumes that individuals act rationally in their own self-interest. By the end of the course, you should be able to understand how individuals and groups of individuals make economic decisions. A central goal is to develop the tools necessary to analyze and evaluate how rational agents make economic decisions in response to events that occur in the world around them and to develop the skills necessary to evaluate the welfare implications of policy decisions.

**Grades:** Your final grade will be composed of participation points, five homework quizzes, two midterms and a final exam. Participation points will count for 5% of your grade. The homework quizzes will count for 10% of your grade. Each midterm will count for 25% of your grade. The final exam will be cumulative and will be worth the remaining 35% of your grade. Final grades will be determined using the following scale:

91.5-100	A
89.5-91.4	A-
87.5-89.4	B+
81.5-87.4	B
79.5-81.4	B-
77.5-79.4	C+
71.5-77.4	C
69.5-71.4	C-
59.5-69.4	D
<59.5	F

**Homework Quizzes (10%):** There will be 5 homework assignments posted online on the course website throughout the semester. These problems will be invaluable in developing intuition and your problem-solving skills. They will also be a good indication of the exam questions. These will not be graded in their entirety. Rather, on the day the homework is due, you will have a short quiz covering the material from the homework. These quiz questions will come directly from the homework. If you've completed your homework, you can use your completed assignment during the quiz. You will not be allowed to have any other class notes for the quiz. The lowest of these scores will be dropped and the remaining four will be

averaged to make up your homework quiz grade. Since your lowest score is dropped, there will be no makeup quizzes.

**Participation Points (5%):** These points will come from class attendance on randomly selected days. You will not know what days I will take attendance. You will get credit for whatever percent of the randomly selected days you are present. (For example, if you are present on 5 of 6 days, you will get an 83% for participation)

**Midterm Exams (25% each):** There will be no make-ups for midterm exams. Since the final exam will cover material from the entire semester, if your final exam score is higher than the lower of your two midterms, I will replace your lowest midterm exam grade with your final exam score. Therefore, if you miss one midterm, the 25% weight of that midterm exam will automatically be added to the final. If you miss both midterms, 25% of your grade will be a zero.

**Final Exam (35%):** The final will be held on May 6 at 12pm. All students must take the final exam at the scheduled time set by the university. The final exam will cover material from the entire course.

**Honor Code:** You are reminded that the University Honor Code is in effect for all academic work. Do your work in accordance with that honor code. You are allowed and encouraged to work together on homework assignments, but collaboration on exams is strictly forbidden.

**General Comments:** The course will move quickly and the material can be very difficult for some students; therefore, it is imperative that you keep up with the reading and the lectures. If you are having difficulty, it is best to address the problem early. Come to office hours, get yourself a tutor, find a study group, etc. Anything in the reading or discussed in lecture will be fair game for the exams. The material is cumulative, so cramming will not work!

Tentative Course Schedule					
#	Day	Date	Topic	Chapter	Notes
1	M	Jan 12	Syllabus, Math Review		
2	W	Jan 14	Demand, Supply and Equilibrium	1	
3	F	Jan 16		1	
	M	Jan 19			NO CLASS
4	W	Jan 21	Prices, Costs and the Gains from Trade	2	
5	F	Jan 23	Consumer Behavior	3	
6	M	Jan 26		3	
7	W	Jan 28		3	
8	F	Jan 30		3	
9	M	Feb 2	Consumers in the Marketplace	4	Homework 1 QUIZ
10	W	Feb 4		4	
11	F	Feb 6		4	
12	M	Feb 9		4	
13	W	Feb 11	The Behavior of Firms	5	
14	F	Feb 13		5	
15	M	Feb 16	Production and Costs	6	
16	W	Feb 18		6	
17	F	Feb 20		6	Homework 2 QUIZ
18	M	Feb 23		6	
19	W	Feb 25	<b>MIDTERM 1</b>		Chapters 1-6
20	F	Feb 27	Competition	7	
21	M	Mar 2		7	
22	W	Mar 4		7	
23	F	Mar 6		7	
	M	Mar 9			NO CLASS
	W	Mar 11			NO CLASS
	F	Mar 13			NO CLASS
24	M	Mar 16	Welfare and the gains from trade	8	Last day to drop
25	W	Mar 18		8	
26	F	Mar 20	Monopoly	10	
27	M	Mar 23		10	Homework 3 QUIZ
28	W	Mar 25		10	
29	F	Mar 27	Game Theory	12	
30	M	Mar 30		12	
31	W	Apr 1		12	
32	F	Apr 3	Market Power, Collusion, and Oligopoly	11	
33	M	Apr 6		11	
34	W	Apr 8		11	Homework 4 QUIZ
	F	Apr 10			NO CLASS
35	M	Apr 13	<b>MIDTERM 2</b>		Chapters 7-12 (no 9)
36	W	Apr 15	External Costs and Benefits	13	
37	F	Apr 17	Public Goods	14	
38	M	Apr 20	Demand for Factors of Production	15	
39	W	Apr 22	The Market for Labor	16	
40	F	Apr 24		16	
41	M	Apr 27			Homework 5 Quiz
	Wed	May 6	<b>FINAL EXAM 12-3 PM</b>		Chapters 1-16 (no 9)