

THE UNIVERSITY OF FLORIDA
Department of Economics

Economics 3101
Spring 2017

Professor D. Sappington

INTERMEDIATE MICROECONOMICS

PURPOSE OF THE COURSE

This course will cover the basic concepts and techniques that form the cornerstone of all microeconomic analyses. The course will devote considerable time to solving practical problems. An understanding of calculus is important for your success in this course.

COURSE MATERIAL

The required textbook for this course is: *Microeconomics*, by Robert Pindyck and Daniel Rubinfeld (Pearson, 2013, Eighth Edition).

One goal of this course is to help you understand and analyze current economic issues in the news. You are encouraged to review business articles online regularly and to read publications such as *The Wall Street Journal* or *Fortune* magazine.

COURSE WEB SITE

The class web site can be found at: <https://lss.at.ufl.edu>. The site contains this year's problem sets, past examinations, and other information.

COURSE REQUIREMENTS

There will be three examinations in this course: one on February 6th, one on March 15th, and one on April 17th. Each exam will be given during regular class hours. Attendance at each examination is a course requirement. Each examination accounts for 30% of your final grade.

Your performance on a current events project will account for 5% of your final course grade. This project involves assessing an interesting economic issue of your choice using the tools and concepts developed in class. You are encouraged to work in groups and to present your analysis in class. The current events project is due on April 5th.

Homework assignments will account for 5% of your final grade in the course. Homework problems will be assigned frequently. You are responsible for completing each problem set by its due date, even if you are not in class that day. You are encouraged to join a group of your classmates to work on homework assignments together.

Extra credit may be awarded for exceptional class participation, and frequent absences are likely to reduce your final grade in the course.

If you attend class regularly and your average score employing the identified weightings exceeds 90, you will receive at least an A^- in the course. If this score exceeds 80, you will receive a course grade of at least B^- . If this score exceeds 70, you will receive a course grade of at least C^- .

CONTACT INFORMATION

My office hours are on Mondays and Wednesdays from 7:30 – 9:00 am. My office is in 204 Matherly Hall. My phone number is 392-3904, and my e-mail address is sapping@ufl.edu.

Carly Whittaker will be assisting with this course. She will hold office hours in 204 Matherly Hall on Tuesdays from 12:00 – 2:30 pm and on Fridays from 9:00 – 11:30 am. Carly's email address is *carwhitt31@ufl.edu*.

COURSE OUTLINE

The following is an outline of the major topics that will be covered in this course, along with the associated readings in the textbook by Pindyck and Rubinfeld (PR).

1. Overview and Introduction to Microeconomics. (PR, Chapter 1)
2. Review of Important Mathematical Concepts.
3. Demand and Supply. (PR, Chapter 2)
 - A. Elasticity of Demand and Supply.
 - B. Equilibrium and Disequilibrium.
 - C. Rationing and Government Intervention.
4. Consumer Behavior and Market Demand. (PR, Chapters 3 – 5)
 - A. Utility Maximization and Budget Constraints.
 - B. Income and Substitution Effects.
 - C. Derivation of Demand Curves.
 - D. Choice under Uncertainty.
5. The Behavior of Firms. (PR, Chapters 6 – 8)
 - A. Factors of Production and Production Functions.
 - B. Production Costs and Cost Minimization.
 - C. Profit Maximization.
6. Analysis of Competitive Markets (PR, Chapter 9)
7. Monopoly, Oligopoly, and Pricing with Market Power. (PR, Chapters 10 – 12)
8. Game Theory and Competitive Strategy. (PR, Chapter 13)
9. Markets for Factor Inputs. (PR, Chapter 14)
10. Investment Behavior. (PR, Chapter 15)
11. General Equilibrium and Economic Efficiency. (PR, Chapter 16)
12. Markets with Asymmetric Information. (PR, Chapter 17)
13. Externalities and Public Goods. (PR, Chapter 18)