

SYLLABUS

ARE 100B:

UC Davis, Department of Agricultural and Resource Economics
Fall Quarter 2017
Kristin Kiesel

Intermediate Microeconomics

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Course overview:

This course provides a comprehensive introduction to economic theory that goes beyond competitive markets and its desirable properties. By stressing the mathematical structure that is common to these contemporary theories coupled with intuitive explanations and real life applications, this course aims to show that economic theory is not just a mathematical exercise. Microeconomic theory has practical, problem-solving uses for individuals, firm, policymakers, and firms alike. *4 units.*

Learning objectives:

By the end of this quarter, you will:

1. Understand economic theories related to imperfect competition applied in many important contemporary fields of economics (e.g. game theory, industrial organization, environmental economics, behavioral economics, and game theory).
2. Be able to apply these theories verbally, graphically, and mathematically in order to analyze complex real world issues.

How this course works:

The material covered in this course can provide you with powerful tools for the business world and beyond, but learning how to use these tools is not a spectator sport. The materials provided throughout the quarter are designed to support the above stated learning objectives. We will discuss important points and add context to the assigned material in lectures. **Engagement with the material during lecture and beyond will reinforce your learning. If you do not understand something or need additional help, please ask. If you do not feel comfortable asking in lecture, come see me in office hours. I am happy to help!**

Homework and OPEC game:

You are expected to familiarize yourself with the information in the assigned reading prior to coming to class. Suggested problems (and solutions) and example problems are posted for you to work on independently. Submission of the Suggested problems by the due date will earn you an extra credit point each.

In order to further engage with the material in a real world application, we will be playing the OPEC game throughout the quarter. It requires you to work in a team, develop a strategy and submit your production quantities throughout the quarter. Your team will also submit a memo describing your strategy at the end of the quarter. You will be graded on the submission of production quantities, and your memo. I will introduce the game during the first week. Additional information regarding the game is provided in a separate handout and instructional videos.

Quizzes and active lecture participation:

We all procrastinate. Incentives serve as commitment devices to stay engaged with the covered material throughout the quarter. We will have weekly quizzes at the beginning of class every Thursday. You will need a UCD2000 (blue or red) scantron for each quiz. I will drop your lowest quiz score in computing your final grade. The quizzes test whether you keep up with the assigned material, and re-emphasize important points from lectures.

In addition, using iclicker remotes or the iclicker Reef App allows you to apply the learned material and to actively participate during lecture, even if you do not feel confident contributing

verbally in class. It also provides me with instant feedback on where you are in your learning process such that I can re-emphasize important points. **After each class, I'll choose one question that will be used to assign participation points for that lecture. You will receive one point for submitting an answer and an additional point if your submitted answer was correct. If you receive at least 30 points, you will receive full participation credit toward your final grade. No credit will be given if you attend class and your device does not work or if you forget to bring one.**¹

Exams:

There will be two midterms on Thursday, October 19th and on Thursday, November, 9th. The final will be held during the scheduled time on Tuesday, December 12th from 8am-10am. Please bring a UCD2000 (blue or red) scantron form on the day of exams. The exams consist of multiple choice questions, true/false questions, and analytic questions. **There will be no make-up exams.** If, due to a serious illness or family tragedy, you are unable to take one of the exams, your final grade will be based solely on the remaining assignments and exams. You must contact me immediately with appropriate documentation in order to receive this accommodation.

Prerequisites: ARE 100A

Required: **Microeconomics: Theory and Applications with Calculus (Third or Fourth Edition) by Jeffrey Perloff.**

Note: You should already have a copy of the book from 100A.

You can use other editions of the book, or another book of similar content in order to reduce costs. However, you will be responsible for comparing the contents with the required text.

You also have access to the UCSD Intermediate Microeconomics Video Handbook on canvas. This resource is not meant to replace the required textbook, but serves as an additional resource for the content covered in this class.

iClicker2 (campus standard), iclicker Reef App¹

Lectures: T,R: 3:10 – 4:30pm, Everson Hall 176

Office hours: T: 9:00 – 10:00am, SSH 2147
R: 11:00 – 12:00noon, SSH 2147

*The best way to meet me outside of office hours is to email me and schedule a time. **If you have any problems with this course, or with any other matters that may affect your work in this course, please contact me immediately.***

Teaching Assistants: Jessica Rudder (Tuesday sections, email: jrudder@ucdavis.edu)

Office hours: TBA

Hairu Lang (Wednesday sections, email: hlang@ucdavis.edu),

Office hours: TBA

¹ You can choose to opt out of the participation part of your grade. If you decide to do so, you must see me in person in my office hours to discuss this option for grading before the first midterm. In this case, your midterm scores receives a higher weight in your overall grade.

Grades:

Your final numerical score will be calculated based on the **OPEC game, quizzes, lecture participation, two midterms, and a final exam**. Numerical scores will not be converted to letter grades until the end of the quarter and specific letter grades will not be assigned to individual assignments. I will provide feedback on your performance over the course of the quarter, however. The final score breakdown and grade distribution is as follows:

| | | |
|---------------|-------------|---|
| OPEC game | 8% | (40 points; 10 for submission, 30 for memo) |
| Quizzes | 6% | (30 points) |
| Participation | 6% | (30 points) |
| Midterm1 | 20% | (100 points) |
| Midterm2 | 20% | (100 points) |
| Final | 40% | (200 points) |
| | 100% | (500 points) |

| Percent | Points | Grade |
|------------------|-----------|-------|
| 93 – 100% | 500 – 465 | A |
| 90 – 92% | 464 – 450 | A- |
| 87 – 89% | 435 – 463 | B+ |
| 83 – 86% | 415 – 434 | B |
| 80 – 82% | 400 – 414 | B- |
| 77– 79% | 385 – 399 | C+ |
| 73– 76% | 365 – 384 | C |

Tentative schedule:

| Week | Subject | Assigned Readings (Perloff) |
|--|---|--|
| Week 1 (R 09/28) | Logistics and ARE 100A review, Monopoly | (100A Review: Chapter 1-9) Chapter 11 |
| Week 2 (T 10/03, R 10/05) | Monopoly and market power | Chapter 11 |
| Week 3 T 10/10, R 10/12) | Pricing and advertising with market power | Chapter 12 |
| Week 4 (T 10/17, R 10/19) Midterm: R 10/19 | Pricing and advertising with market power (cont.) | Chapter 12 |
| Week 5 (T 10/24, R 10/26) | Game Theory and Imperfect Competition | Chapter 13, 14 |
| Week 6 (T 10/31, R 11/02) | Imperfect Competition (cont.) | Chapter 14 (Hastings, 2009) |
| Week 7 (T 11/07, R 11/09) Midterm: R 11/09 | Externalities, Open Access, and Public Goods | Chapter 17 (Auffhammer and Kellogg, 2011) |
| Week 8 (T 11/14, R 11/16) | Uncertainty | Chapter 16 (Twersky and Kahneman, 1974) |
| Week 9 (T 11/21, R 11/23) Thanksgiving: R 11/23, no class | Information Economics | Chapter 18, 19 |
| Week 10 (T 11/28, R 11/30) | Information Economics | Chapter 18, 19 |
| Week 11 (T 12/05, R 12/07) Last day of instruction: 12/08 | OPEC Game debrief and review | |
| Final Exam: Tuesday 12/12, 8am | Comprehensive | |

Academic Conduct:

Honor and academic integrity are expected from you in this class. Please review the [Code of Academic Conduct Honesty, Fairness, Integrity](#). It assigns specific responsibilities to faculty, administration, and students. Familiarize yourself with your responsibilities and adhere to the rules clearly laid out here. I encourage you to work together as I strongly believe it supports the learning process. However, your submitted quiz and exam answers need to be based on your own knowledge at that point in time, and any sources used in the preparation of your OPEC memo need to be properly cited. Please refer to [additional information on proper citation](#).

Courtesy:

As a courtesy to your fellow students and me, please try to be on time for class. If you arrive late or leave early, please do so quietly. **If you arrive after we started the quiz on Thursdays, you will not be able to take the quiz that day.** Please do not use your electronic devices (phones, tablets, laptops) other than for class purposes. Applications created for these devices seek to capture our attention and inhibit learning

When interacting with your classmates, please be respectful. UC Davis is a diverse community comprised of individuals having many perspectives and identities. In order to create an inclusive and intellectually vibrant community, we must understand and value individual differences and common ground. The [UC Davis Principles of Community](#) reflect the ideals I seek to uphold in this class.

Disabilities:

If you have a learning disability or a physical disability that requires accommodation, please let me know as soon as possible. All needs that have been verified through the [Student Disability Center](#) will be accommodated.

I hope you will enjoy this course and I wish you a successful quarter.