

ECON 201D – Intermediate Economics – Spring 2019

Professor Atila Abdulkadiroglu, 219B Social Science Building
(Office hour: Wednesdays 11:30am-13:30pm)

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About: Economics 201D is the first of three Intermediate level economics courses that together form the core economic theory courses for economics majors at Duke. It is a rigorous but largely non-mathematical development of the foundational concepts in microeconomics and is broadly accessible to economics and non-economics majors alike.

Goal: Continue to develop a way of thinking that underlies all economic analysis broadly applicable to many facets of life in business, politics as well as personal decision making.

Prerequisites: Introductory Economics. Math 31 is a co-requisite.

Textbook: *Microeconomics: An Intuitive Approach* by Thomas Nechyba, South-Western / Cengage Learning, 2011 or newer (used book perfectly fine)

Chapters are divided into A- and B-parts, with the math developed in the B-parts. Material for this course will come primarily from the A-parts of the larger book, with some occasional reference to the B-parts. The text comes with access to a website that contains a *Study Guide* as well as extensive graphical tools (*LiveGraphs*). If you buy a used book, you will not have access to LiveGraphs, but LiveGraphs is *not* required for the course.

Exams: **Midterm 1, Thursday, February 14, in class**
 Midterm 2, Tuesday, March 19, in class
 Final Exam, Wednesday, May 3, 7:00PM-10:00PM

All exams are closed-book closed-notes. Each exam will cover everything that has been covered in class by exam day.

Homework: There will be weekly homework assignments posted under “Assignments” on Sakai. Homework will be collected on Sakai but not graded. However, if you submit your work regularly and if they pass, we will jump your grade one level up (i.e. from A- to A, or from B+ to A-) in case your final weighted average score is at the border (i.e. your regular grade is A- and your average is the highest among all students whose regular grades are A-). The TAs will discuss the solutions during discussion sessions, the solutions will also be posted on Sakai. The purpose of the assignments is to guide you throughout the semester. Although they will not be graded, please take them seriously. I also strongly encourage you to work together on assignments.

Grading Midterm 1, 30%
 Midterm 2, 30%
 Final exam, 40%

Make-up Policy:

There will be no make-up for midterms. If you miss a mid-term exam, the weight of your midterm will shift to your final exam. A make-up final exam will be granted only if you miss the final exam and have a dean's excused absence.

TA Sections: In addition to the lectures, there will be a weekly recitation section taught by an undergraduate teaching assistant. You will benefit most from the class and the TA sessions if you come prepared to the sessions. The problems for the sections will be posted on Sakai at least a day before the first scheduled section for the week.

Office Hours: In order to help you with questions (on assignments, lecture material, or anything else), we will have office hours in addition to sections throughout the week. I will hold my office hour Wednesdays 11:30am-13:30pm. The TAs' office hours will be posted on the web. You should feel free to attend office hours at any of the scheduled times, not just when your particular TA is holding his/her hours.

Contacting Me: I will stay in class several minutes after each lecture and take your questions. I also urge you to get as much help as possible from TAs during TA sessions, and from Sakai forums (see below). Also feel free to e-mail me when you have questions. If you email me, please put the [**Econ201**] header on the subject line of your email, otherwise your email may be filtered out by my email program.

Course Outline: The following course outline is tentative. We may slow down or speed up throughout the course depending on the background and needs of the class.

COURSE OUTLINE**Week 1**

Introduction, Budgets, Chapters 1, 2A, 3A

Week 2

Indifference Curves and Tastes, Chapters 4A, 5A
How do consumers spend? Chapter 6A

Week 3

Income and Substitution Effects, Chapter 7A
Wealth and Substitution Effects in Labor and Capital Markets, Chapter 8A

Week 4

Consumer Demand and Labor Supply, Chapter 9A
Consumer Surplus, Chapter 10A

Week 5

Production, Chapter 11A
Production with Multiple Inputs, Chapter 12A

Week 6

Midterm 1, Thursday, February 14, in class
Short Run and Long Run Supply, Chapter 13A

Week 7

Market Equilibrium, Chapter 14A

Week 8

Equilibrium and Welfare, Chapter 15A
General Equilibrium, Chapter 16A

Week 9

Choice and Markets in the Presence of Risk, Chapter 17A
Elasticities, Price Distortions, Chapter 18A

Week 10

Spring Break

Week 11

Midterm 2, Tuesday, March 19, in class
Taxes and Subsidies, Chapter 19A

Week 12

Prices and Distortions across Markets, Chapter 20A
Externalities and Asymmetric Information, Chapters 21A, 22A

Week 13

Monopoly, Chapter 23A
Strategic Thinking, Chapter 24A

Week 14

Oligopoly, Chapter 25A
Monopolistic Competition, Chapter 26A

Week 15

Public Goods, Chapter 27A
Governments and Politics, Chapter 28A

Week 16

Behavioral Economics, Chapter 29A

FINAL EXAM: Wednesday, May 3, 7:00PM-10:00PM