

**Eastern Illinois University**  
**Revised Course Proposal**  
**ECN 4802, Intermediate Microeconomic Theory**

CGS Agenda Item:16-65  
Effective Fall 2017

**Banner/Catalog Information (Coversheet)**

1. ☐ New Course or ☒ Revision of Existing Course
2. Course prefix and number: ECN4802
3. Short title: Intermediate Microeconomic Theory
4. Long title: Intermediate Microeconomic Theory
5. Hours per week: 3 Class 0 Lab 3 Credit
6. Terms: ☒ Fall ☒ Spring ☐ Summer ☐ On demand
7. Initial term: ☒ Fall ☐ Spring ☐ Summer Year: 2017
8. Catalog course description: (3-0-3) F, S. An examination of the role of prices in determining the allocation of resources, the forces governing the consumption and production of economic goods, the performance of the firm, and the efficiency implications of alternative market structures and government policies.
9. Course attributes:  
General education component: \_\_\_\_\_  
☐ Cultural diversity ☐ Honors ☐ Writing centered ☐ Writing intensive ☐ Writing active
10. Instructional delivery  
Type of Course:  
☒ Lecture ☐ Lab ☐ Lecture/lab combined ☐ Independent study/research  
☐ Internship ☐ Performance ☐ Practicum/clinical ☐ Other, specify: \_\_\_\_\_  
Mode(s) of Delivery:  
☒ Face to Face ☒ Online ☐ Study Abroad  
☐ Hybrid, specify approximate amount of on-line and face-to-face instruction \_\_\_\_\_
11. Course(s) to be deleted from the catalog once this course is approved. none
12. Equivalent course(s): none
  - a. Are students allowed to take equivalent course(s) for credit? ☐ Yes ☐ No
13. Prerequisite(s): ECN 2802G
  - a. Can prerequisite be taken concurrently? ☐ Yes ☒ No
  - b. Minimum grade required for the prerequisite course(s)? ☐

c. Use Banner coding to enforce prerequisite course(s)? ☒ Yes ☐ No

d. Who may waive prerequisite(s)?

☐ No one ☒ Chair ☐ Instructor ☐ Advisor ☐ Other (specify)

14. Co-requisite(s): none

15. Enrollment restrictions

a. Degrees, colleges, majors, levels, classes which may take the course: All

b. Degrees, colleges, majors, levels, classes which may not take the course: None

16. Repeat status: ☒ May not be repeated ☐ May be repeated once with credit

17. Enter the limit, if any, on hours which may be applied to a major or minor:       

18. Grading methods: ☒ Standard ☐ CR/NC ☐ Audit ☐ ABC/NC

19. Special grading provisions:

☐ Grade for course will not count in a student's grade point average.

☐ Grade for course will not count in hours toward graduation.

☐ Grade for course will be removed from GPA if student already has credit for or is registered in:

\_\_\_\_\_

☐ Credit hours for course will be removed from student's hours toward graduation if student already has credit for or is registered in: \_\_\_\_\_

20. Additional costs to students:

Supplemental Materials or Software \_\_\_\_\_

Course Fee ☒ No ☐ Yes, Explain if yes \_\_\_\_\_

21. Community college transfer:

☐ A community college course may be judged equivalent.

☒ A community college may not be judged equivalent.

Note: Upper division credit (3000+) will not be granted for a community college course, even if the content is judged to be equivalent.

## **Rationale, Justifications, and Assurances (Part I)**

1. ☒ Course is required for the major(s) of Economics  
☐ Course is required for the minor(s) of \_\_\_\_\_  
☐ Course is required for the certificate program(s) of \_\_\_\_\_  
☒ Course is used as an elective
2. **Rationale for proposal :** This is an existing course that we wish to open up to online delivery.
3. **Justifications for (answer N/A if not applicable)**  
Similarity to other courses: N/A  
Prerequisites: An introductory level microeconomics course is required to prepare students for this course, which will re-examine topics from introductory microeconomics with additional rigor and depth.  
Co-requisites: N/A  
Enrollment restrictions: N/A  
Writing active, intensive, centered: N/A
4. **General education assurances (answer N/A if not applicable)**  
General education component: N/A  
Curriculum: N/A  
Instruction: N/A  
Assessment: N/A
5. **Online/Hybrid delivery justification & assurances (answer N/A if not applicable)**  
Online or hybrid delivery justification: The Economics Department already offers online courses and there is demand for more online courses particularly at advanced and graduate levels. Our graduate program has recently been designated “First Choice” and we wish to offer graduate level classes online in order to make the program more attractive and accessible to a broader population of students. This course is required of new graduate students in our Master’s program that did not have economics as an undergraduate major. Being able to take it prior to their arrival on campus would substantially reduce the cost of the program for such students and, therefore, should increase the quantity demanded of our program.  
Instruction: Students will be able to access audio and/or video recordings and other instructional materials through an online course management system (e.g., D2L).  
Assignments, discussion postings, and quizzes/exams will be completed or submitted within

the course management system and associated systems. Feedback from the instructor can be provided through phone, email, online discussion boards, and through synchronous video chat, when applicable. All faculty who will deliver this course online are/will be OCDI (or appropriate equivalent) trained.

**Integrity:** The course syllabus includes a statement about academic dishonesty. EIU has software that can be utilized to ensure that students taking online exams are the person registered for the course (by using a student's webcam to record the test taker and testing environment). To deter academic misconduct by students, writing assignments will be checked automatically for plagiarism after being submitted in the course management system, where applicable.

**Interaction:** Lecture portions of the course will be delivered via video- and/or audio-recorded lectures posted in the online course management system. The instructor and students will be able to communicate with each other through e-mail, discussion boards, and chat functions provided by course management systems (i.e., D2L).

## **Model Syllabus (Part II)**

Please include the following information:

1. Course number and title  
ECN4802: Intermediate Microeconomic Theory
2. Catalog description  
(3-0-3) F, S. An examination of the role of prices in determining the allocation of resources, the forces governing the consumption and production of economic goods, the performance of the firm, and the efficiency implications of alternative market structures and government policies.
3. Learning objectives.
  1. Students will learn to model consumer choice—how individuals make consumption choices given a limited budget—by developing a utility-maximization model and using it to explain how changes in prices and income affect consumer purchasing patterns. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  2. Students will learn to derive demand curves from utility functions and to identify and analyze income and substitution effects. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  3. Students will learn to model firm production—how the firm chooses inputs such as labor and capital to produce output—and how changes in technology affect the firm's production choices. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  4. Students will learn the cost-minimization model of the firm and use it to understand how changes in factor prices affect a firm's decisions regarding the employment of labor, capital, and materials. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  5. Students will learn to derive both short-run and long-run cost functions and to understand the relationship between a firm's cost functions and its technology. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  6. Students will learn the assumptions necessary for a market to be perfectly competitive, how to calculate short-run and long-run equilibria in such markets, and

- how changes in market conditions affect these equilibrium outcomes. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
7. Students will learn to identify the economic factors that influence the number and size of firms in a perfectly competitive market. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  8. Students will learn how to measure the impact of government policies on perfectly competitive markets. (CT-3,CT-5,QR-1,QR-3,QR-4,RC-3,GLG1,GLG2)
  9. Students will learn how monopoly firms choose price and quantity under both uniform pricing and price discrimination. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
  10. Students will learn to identify when the choices of a profit-maximizing monopolist are different from the choices that maximize social welfare. (RC-3)
  11. Students will learn when it is appropriate for a government to regulate a monopoly and some of the possible regulatory approaches. (CT-3,CT-5,RC-3)
  12. Students will learn to analyze oligopoly markets, showing how firms compete strategically in such markets. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)
- 4. Course materials.**  
 Goolsbee, Levitt, & Syverson, Microeconomics, 1st edition

On-line resources such as audio and video recordings, assignments and exams will be provided through the course learning management system.

**5. Weekly outline of content.**

Week	Chapter	Topic	Assignment
1	1,2	introduction, slope, average, marginal, inverse average, inverse marginal, contour lines, convexity, concavity	Conceptual Videos, Technique Videos Spreadsheets 1 & 2
2	4	Utility, cognitive limitations, indifference curves, non-monotonic preferences, mrs	Conceptual Videos, Technique Videos Spreadsheets 3 & 4
3	4	Budget constraint, consumer choices, lump-sum taxes, rationing	Conceptual Videos, Technique Videos Spreadsheets 5 & 6, grad assignment 1
4	5	Income-expansion path, normal and inferior goods, luxuries and necessities, complements and substitutes, giffin goods	Conceptual Videos, Technique Videos Spreadsheets 7 & 8
5	5	Horizontal summation, price elasticity of demand, income elasticity, cross-price elasticity	Conceptual Videos, Technique Videos Spreadsheet 9 Exam 1
6	6	Production function, isoquants, rts, returns to scale, total product, marginal product, average product	Conceptual Videos, Technique Videos Spreadsheets 10 & 11
7	6	Average product vs. average productivity, marginal	Conceptual Videos, Technique Videos Spreadsheets 12 & 13

		product and rts, capital aggregation	
8	7	Cost minimization, expansion paths, short run cost function, srac, srmc	Conceptual Videos, Technique Videos Spreadsheets 14 & 15, grad assignment 2
9	7	lrtc	Conceptual Videos, Technique Videos Spreadsheets 16 & 17
10	8	Profit maximization, perfect competition, shutdown rule	Conceptual Videos, Technique Videos Spreadsheet 18 Exam 2
11	11	Imperfect competition, history of economic thought, tax incidence, subsidy incidence	Conceptual Videos, Technique Videos Spreadsheets 19 & 20
12	9	Monopoly	Conceptual Videos, Technique Videos Spreadsheet 21
13	10	Consumer surplus, producer surplus, social surplus	Conceptual Videos, Technique Videos Spreadsheet 22, grad assignment 3
14	12	Monopoly vs competition, monopsony, rent	Conceptual Videos, Technique Videos Spreadsheet 23
15	13	Present value	Conceptual Videos, Technique Videos Spreadsheet 24
16		Final	Exam 4

**6. Assignments and evaluation, including weights for final course grade.**

**Points Possible:**

	Undergrads	Grad. Students
Video Interactive Features	2,000	2,000
Spreadsheets	2,400	2,400
Grad student assignments		1,600
Exams	5,600	7,000
Total	10,000	13,000

Video Interactive Features: There are 400 questions worth 5 points each spread throughout the approximately 900 minutes of conceptual videos. Since students have the ability to repeatedly watch these videos, content density is higher and repetition lower than in a regular classroom and, consequently, 3 viewings are expected of the average student.

Graduate Student Assignments: There are three graduate student assignments that require the use of calculus to repeat or reinforce ideas covered in the spreadsheets. Graduate students are advised to leave plenty of time to work on these problems.

Exams: Exams 1 & 2 are worth 1400 points each to undergraduates. Each has an additional 350 points worth of graduate student questions. Exam 3 is worth 2800 points to undergraduates and has an additional 700 points worth of graduate level questions.

7. Grading scale.

	Undergrads	Grad. Students
A	8950+	11635+
B	7950 to 8949	10335 to 11634
C	6950 to 7949	9035 to 10334
D	5950 to 6949	7735 to 9034

8. Correlation of learning objectives to assignments and evaluation.

Objective	Vid. Interactive U-20%, G-15%	Spreadsheets U-24%, G-18%	Grad student assignments G-12%	Exams U-56%, G-54%
1. Students will learn to model consumer choice—how individuals make consumption choices given a limited budget—by developing a utility-maximization model and using it to explain how changes in prices and income affect consumer purchasing patterns. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X	X	X
2. Students will learn to derive demand curves from utility functions and to identify and analyze income and substitution effects. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X	X	X
3. Students will learn to model firm production—how the firm chooses inputs such as labor and capital to produce output—and how changes in technology affect the firm's production choices. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X	X	X
4. Students will learn the cost-minimization model of the firm and use it to understand how changes in factor prices affect a firm's decisions regarding the employment of labor, capital, and materials.		X	X	X

(CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)				
5. Students will learn to derive both short-run and long-run cost functions and to understand the relationship between a firm's cost functions and its technology. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X		X
6. Students will learn the assumptions necessary for a market to be perfectly competitive, how to calculate short-run and long-run equilibria in such markets, and how changes in market conditions affect these equilibrium outcomes. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X		X
7. Students will learn to identify the economic factors that influence the number and size of firms in a perfectly competitive market. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X		X
8. Students will learn how to measure the impact of government policies on perfectly competitive markets. (CT-3,CT-5,QR-1,QR-3,QR-4,RC-3,GLG1,GLG2)		X		X
9. Students will learn how monopoly firms choose price and quantity under both uniform pricing and price discrimination. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X		X
10. Students will learn to identify when the choices of a profit-maximizing monopolist are different from the choices that	X	X		X

maximize social welfare. (RC-3)				
11. Students will learn when it is appropriate for a government to regulate a monopoly and some of the possible regulatory approaches. (CT-3,CT-5,RC-3)	X	X		X
12. Students will learn to analyze oligopoly markets, showing how firms compete strategically in such markets. (CT-3,CT-5,QR-1,QR-3,QR-4,GLG1,GLG2)		X	X	X

**Date approved by the department or school: September 22, 2016**

**Date approved by the college curriculum committee: October 7, 2016**

**Date approved by the Honors Council (*if this is an honors course*):**

**Date approved by CAA: October 27, 2016      CGS:**