

Intermediate Microeconomic Theory I

ECONOMICS EC2150A-001

Department of Economics
Western University

Instructor: Mohammad Iftekher Hossain

May 2017

Office: SSC 4086

Phone: (519) 661-2111 ext. 85276

E-mail: mhossa87@uwo.ca

Office Hours: Tuesday and Thursday, 6-7pm

Class Time & Location: Tuesday and Thursday, 7-10pm, SSC 3010

Course website: <http://owl.uwo.ca>

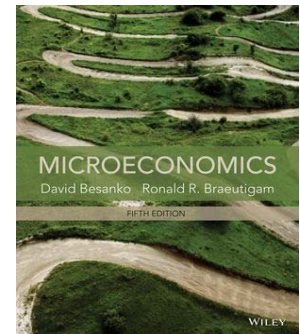
Undergraduate inquiries: 519-661-3507, SSC Room 4075, or econugrd@uwo.ca

Course Materials

Required:

David Besanko and Ronald R. Braeutigam, *Microeconomics*, 5th edition, John Wiley and Sons Inc., 2014.

Recommended: David Besanko and Ronald R. Braeutigam, *Study Guide* (that accompanies *Microeconomics*), 5th edition, John Wiley and Sons Inc., 2014.



Registration

You are responsible for ensuring you are registered in the correct courses. If you are not registered in course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite Note

The prerequisites for this course are **Economics 1021A/B** and **1022A/B**, or **2001A/B** and one of **MCV4U**, **Mathematics 0110A/B**, **Calculus 1000A/B**, **Calculus 1500A/B**, **Mathematics 1225A/B** or the former **Calculus 1100A/B**.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken an anti-requisite course. Lack of pre-requisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

Course Description

This course aims to (i) analyze the economic decision making of individual economic decision makers, such as a consumer, a worker, a firm, households, industries and markets etc., (ii) understand the resulting market outcomes, and (iii) apply the economic thinking to real-world problems. It introduces the key microeconomic tools of constrained optimization, equilibrium analysis, and comparative statics. It aims to explain these key microeconomic concepts mathematically, graphically, analytically and with examples from the real world. The course helps to illuminate the power and versatility of the microeconomic way of thinking.

Course Learning Outcomes

After completing this course, students are expected to be able to:

- explain consumers' and producers' behavior theoretically and mathematically;
- explain consumer's and a producer's choices subject to constraints;
- solve constrained optimization problems analytically;
- derive demand and supply curves for the entire market for a commodity;
- identify the characteristics of a perfectly competitive market, apply the concepts of equilibrium and comparative statics analysis;
- evaluate the impact of government regulations on the perfectly competitive markets.

Assessment

The final grade will be determined by two in-class midterms and one final exam.

Component	Weight	Date	Syllabus	Type of exam
Midterm 1	25%	May 23, 2017	Ch. 1-Ch. 5	Short-answer questions and/or MCQ
Midterm 2	25%	June 06, 2017	Ch. 5-Ch. 7	Short-answer questions and/or MCQ
Final Exam	50%	TBA (June 17 or 18)	Ch. 1-Ch. 10	Short-answer questions and/or MCQ

Each student requires to bring his/her current UWO student ID card, a pencil, a pen, a scale, and a non-programmable calculator to all examinations. Graphing calculators and cell phone calculators are strictly prohibited.

Course Outline

Introduction to Microeconomics

Ch. 1 – Analyzing Economic Problems: Constrained Optimization, Equilibrium Analysis, Comparative Statics Analysis

Ch. 2 – Demand and Supply Analysis: Introduction to Demand and Supply Curves, Market Equilibrium

Consumer Theory

Ch. 3 – Consumer Preferences and the Concept of Utility: Consumer Preferences, Utility Functions

Ch.4 – Consumer Choice: Budget Constraints, Optimal Choice, Revealed Preference

Ch. 5 – The Theory of Demand: Optimal Choice, Income and Substitution Effects, Consumer Surplus, Market Demand, Elasticities

Production and Cost Theory

Ch. 6 – Inputs and Production Functions: Production Functions; Substitutability among Inputs; Returns to Scale

Ch. 7 – Costs and Cost Minimization: Cost Concepts, Cost Minimization

Ch. 8 – Cost Curves: Construction of Total, Average and Marginal Cost Curves

Perfect Competition

Ch. 9 – Perfectly Competitive Markets: Perfect Competition, Profit Maximization, Market Price Determination

Ch. 10 – Competitive Markets: Applications

Taxes and Subsidies, Price Regulations, Production Quotas, Price Supports, Import Quotas and Tariffs

Policy Regarding Missed Exams

Accommodation for a missed midterm will be granted with approved documentation only. The format of the make-up midterms will be different from the regularly scheduled midterms.

Other Course and Classroom Policies

Students are expected to attend lectures, listen attentively, participate in group activities, and take notes. Students should arrive on time. Please remember that to obtain satisfactory grade in this course, regular attendance is important as the evaluation will focus on the materials that will be covered in the lectures. The more you study and practice, the better your grade will be (but please be aware about the diminishing returns and opportunity cost!)

In addition to the regular office hours, students can email me if they need more support regarding the course contents. I will also announce additional office hours before each exam. Students will require to collect their mid-term exam copies during my office hours directly from me to get feedback about their answers.

I encourage students to participate and ask questions in class. I will also ask you several questions in the classroom to help you understand the concepts clearly and to prepare better for the exams. Please bring pages and pens/pencils in each lecture as you will need to take notes and to solve problems during the sessions.

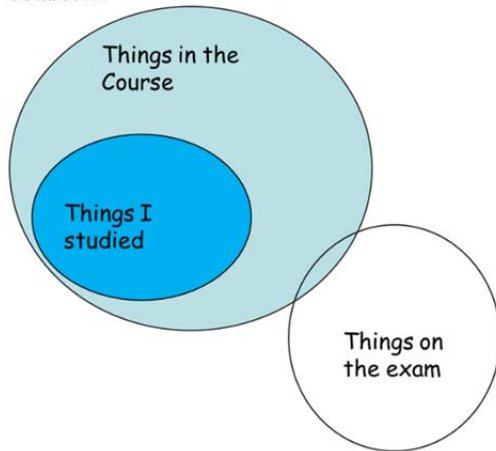
Please do not use cell phones and other communication devices for communication outside, to use Facebook (opportunity cost of attending the session) or to take pictures/ selfie. However, during lectures you can use cell phones and laptop to get access to your course materials and to take notes.

Grading

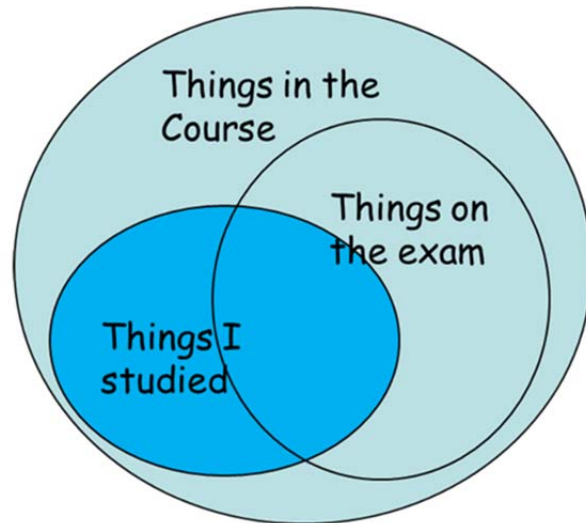
Grading will be based on the total points earned by the end of the semester. Midterm 1 and Midterm 2 contribute 50 percent of the points possible, and a cumulative final exam contributes 50 percent of the points possible. University and Departmental guidelines for grading will be strictly followed.

Grade	Scale	Explanation
A+	90-100	One could scarcely expect better from a student at this level
A	80-89	Superior work that is clearly above average
B	70-79	Good work, meeting all requirements, and eminently satisfactory
C	60-69	Competent work, meeting requirements
D	50-59	Fair work, minimally acceptable
F	<50	Fail

What you need not worry about this course...



What you can expect in this course...



Please Note

Department Policies – Summer 2017

Remember that the University expects all students to take responsibility for their own academic programs. Also remember to check your registration to make sure you are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at <http://westerncalendar.uwo.ca>.
2. Students must familiarize themselves with the “Rules of Conduct for Examinations” <http://westerncalendar.uwo.ca/2017/pg136.html>.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behaviour. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other economics courses or programs. The University may impose further penalties such as a notation on your official academic transcript, suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. Whenever students take an idea or a passage from another author, they must acknowledge it by using quotation marks where appropriate and referencing with footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the current UWO Academic Calendar at <http://westerncalendar.uwo.ca/2017/pg113.html>).

The University of Western Ontario uses software to check for plagiarism and students may be required to submit their written work in electronic form. Those found guilty will have penalties imposed as noted in point 3.

5. It is Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students are responsible for submitting assignments in class or to the instructor during office hours.
6. When appealing a mark, students should refer to the University’s Procedures in the current UWO Academic Calendar (<http://westerncalendar.uwo.ca/2017/pg112.html>). Please note the relevant deadlines.

The Department will not consider any appeal unless an attempt has been made to settle the matter first with your instructor. If after this discussion you remain dissatisfied with a grade or other decision, you may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for your appeal. A useful form and checklist is provided at: *(Use Chrome or Firefox)*

http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals

7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following add and drop deadlines:

Dates for **adding** courses in the summer:

Last day to <u>add</u> a Distance Studies Course:	Friday, May 12, 2017
Last day to <u>add</u> an Intersession Course:	Tuesday, May 16, 2017
Last day to <u>add</u> a first term half course Summer Evening:	Friday, May 12, 2017
Last day to <u>add</u> a second term half course Summer Evening:	Friday, June 23, 2017

Dates for **dropping** Courses in the summer:

Last day to <u>drop</u> a Distance Studies Course	Monday, June 12, 2017
Last day to <u>drop</u> an Intersession Course	Monday, June 5, 2017
Last day to <u>drop</u> a first term half course Summer Evening:	Monday, June 5, 2017
Last day to <u>drop</u> a second term half course Summer Evening:	Monday, July 17, 2017

9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is not an excuse for a make-up. This rule applies to all mid-term tests and final exams in the Department of Economics.

Policy Regarding Makeup Tests and Final Examinations

*Academic Accommodation will **not** be granted automatically on request. You **must** demonstrate by documentation that there are **compelling** medical or compassionate grounds before academic accommodation will be considered.*

If you decide to write a test or an examination, you must be prepared to accept the mark you earn. Rewriting tests or examinations, or having the value of the test or examination reweighted on a retroactive basis, is **not** permitted. Book airline flights after you know the dates of your final examinations. Airline flights must not conflict with test or final exams.

If you are requesting a makeup test for a midterm or a final examination, unless medically incapable, notify your instructor by email or phone, preferably prior to the scheduled date of the test, but definitely within **24 hours** of the date of the test or exam. Failure to follow this procedure may result in denial of a request for academic accommodation or result in a grade of zero. Set up an appointment as soon as possible to meet personally with your instructor. If the instructor is not available, you may send an email message, copying the Undergraduate Coordinator at econugrd@uwo.ca (Social Science Room 4075). **Notifying your instructor of a missed test or exam does not automatically entitle you to a makeup test.**

Students who seek a makeup test or examination must provide medical or other relevant verification that their absence from a regularly scheduled test or examination is beyond their control. Documentation must support your reasons. Medical documentation should be given to the Academic Counselling Office of your *home* Faculty **as soon as possible (preferably within 24 hours of the test)** if you know you may not be able to write your final examination on the scheduled day and time. Failure to follow this procedure, or to provide supporting documentation, may result in denial of a request for academic accommodation or result in a grade of zero. If your documentation is not acceptable, you will be given a zero for the missed test.

For personal illness, if you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used and can be found at:

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf. Notes stating "For Medical Reasons" are not considered sufficient.

For any other circumstances, if you are not sure what documentation to provide, ask your Academic

Counselor. If your documentation is judged sufficient, the academic counselor will issue a Recommendation for a Special Examination (a single form for midterms or a triple color form for final examinations). Once you have this form, contact your instructor ASAP to make arrangements. Even if approved from your home faculty Academic Counsellor, there is no guarantee that you will be allowed to write the makeup test and exam.

For final examinations, you need permission from your *home* Faculty Counsellor, your instructor, and the Department Chair. Failure to follow this procedure may result in an examination grade of zero. You must ensure that the Special Examination form has been signed by the instructor and Department Chair and that the form is returned to the Academic Counseling Office for approval without delay. Make-up final examinations, if permitted, will be written within one month of the end of the exam period.

Policies Regarding Academic Accommodation

Information about the Faculty of Social Science's policies regarding academic accommodation is found on its website at <http://counselling.ssc.uwo.ca/procedures/havingproblems.asp> or in Social Science Room 2105. Your "Academic Rights and Responsibilities" are also outlined in the current UWO Calendar at <http://westerncalendar.uwo.ca/2017/pg111.html>. Claiming that "you didn't know what to do" is not an acceptable excuse for not following the stated procedures.

Policy Regarding Class Attendance

If your instructor views your class attendance as unsatisfactory, you can be debarred from writing the final examination. If there is intent to make use of this University policy, you will be notified in writing.

Statement on Mental Health and Support Services

If you or someone you know is experiencing emotional/mental distress, there are several resources here at Western to assist you. Please visit <http://www.uwo.ca/uwocom/mentalhealth/> for more information and a complete list of resources, as well as how to obtain help.