

**INTERMEDIATE MICROECONOMIC THEORY I
ECONOMICS 2150A-002
Department of Economics
Western University
September 2020**

General Information:

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

Delivery mode: Online

Instructor: Peter Streufert

Office hours: M 10-11, T 5-6, Th 10-11, F 5-6 (ET, via Zoom)

Phone: 519-661-2111 ext. 85384 (answered during office hours)

Email: pstreuf@uwo.ca (answered during office hours)

Office: 4040 Social Science (currently unused due to virus)

Undergraduate Inquiries: 519-661-3507, 4075 Social Science, econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this 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 [1] Economics 1021A/B and Economics 1022A/B, or Economics 2001A/B; and [2] One of MCV4U, Mathematics 0110A/B, or Calculus 1100A/B. An antirequisite is Economics 2260A/B.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any antirequisite courses. Lack of prerequisites 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:

As stated in the university's academic calendar, this course concerns "theories of the behaviour of consumers and firms, and the theory of competitive markets".

Course Learning Outcomes:

A. Students will have the opportunity:

1. To acquire the mathematical rudiments of maximizing a two-variable objective function subject to a linear constraint.
2. To apply those principles to model a consumer's choice of consumption goods subject to a budget constraint.
3. To apply those same principles to model a producer's choice of inputs subject to a technological constraint.
4. To use further elementary mathematics to model how a price-taking firm maximizes profits given the minimized costs studied earlier.
5. To use further elementary mathematics to model perfectly competitive markets in which both consumers and producers are price-takers.
6. To acquire knowledge of consumer and producer surplus, and to apply those tools to evaluate the effects of government policies.

Textbooks:

B. The following resources are required. BB is available for purchase in the bookstore. Books are expensive. On the one hand, the fifth edition is close to the new sixth edition. On the other hand, there are uncatalogued differences between the editions, and the sixth edition of BB will probably be used again in Economics 2151. SE has been prepared by the instructor, and will be available online without cost (for your personal use only, this material is copyrighted).

BB = David Besanko and Ronald Braeutigam, 2020, *Microeconomics, Sixth Edition*, Wiley.

SE = Peter A. Streufert, 2020, *Sandbox Examples for Intermediate Consumer and Producer Theory*, Western University.

Technical Requirements:

C. Students are required to have a computer with a camera, a microphone, and a stable internet connection. This equipment is needed for the following purposes: (1) to access the resources and announcements on OWL, (2) to participate in office hours on Zoom, (3) to write examinations on OWL, and (4) to be prepared for unexpected contingencies. One such contingency is that, if an OWL exam is disrupted by technical difficulties, students may be required to take pictures of handwritten answers and to send these images to the instructor via email.

D. Access will be restricted to students with UWO credentials. For example, students will need to use their UWO email address (@uwo.ca or @ivey.ca) when participating in office hours via Zoom.

E. For technical support, see the OWL Help page or contact Western Technology Services Helpdesk at <https://wts.uwo.ca/about-wts/contact.html>. Google Chrome and Mozilla Firefox are the preferred browsers for OWL (please update your browser frequently).

Marking:

F. The course mark will be determined by three midterm examinations (20% each) and the final examination (40%). The midterms exams are tentatively scheduled for Wednesday September 30, Wednesday October 21, and Wednesday November 18. The final exam will be scheduled by the registrar at a later date.

G. In these unusual times, it is even more difficult to predict the difficulty of an exam. Because of this, students should not expect that the mark on an exam will equal the percentage of correctly answered questions. Rather, after each midterm exam, the instructor will use the students' past exam scores to roughly predict the students' final course marks.

Provisions for Fairness:

H. During examinations, students may not communicate with any person other than the instructor or a proctor.

I. During examinations, students may not use any books, notes, study guides, diagrams, communication equipment (such as a cell phone), computer programs or software, online resources or websites, or other aids, unless authorized by the instructor explicitly in writing before the examination. (The instructor intends to allow the use of some resources, and the boundary between allowed and disallowed resources will be explained as the course proceeds.)

J. At each examination, students will be required to affirm (a) that they themselves have not cheated and (b) that they are not aware of any other student who has cheated in any examination in any section of Economics 2150. A student who fails to report an incident of cheating will be regarded as being complicit in that cheating.

K. All examinations, whether regularly scheduled or make-up, are subject to the university policy for exceptional circumstances as stated at https://www.uwo.ca/univsec/pdf/academic_policies/appeals/Academic_Consideration_for_absences.pdf. Note that the policy's Sections 3, 4, and 5 (on pages 3, 4, and 5) expressly state that students must contact the instructor no later than 24 hours after the end of their period of excused absence from academic responsibilities. Failure to do so invalidates the excuse for the purposes of this course. Unexcused unwritten exams receive a mark of zero.

L. There are no make-up midterm exams. Rather, an excused midterm's weight will be shifted to the final exam.

M. Make-up final exams will be scheduled by the instructor. (Note that Paragraph K applies to make-up final exams.)

N. Students who have been excused from one or more exams may find that their final exam differs in form and/or content from the final exam given to students who have written all exams at the regularly scheduled times. For example, a student who has not written one of the midterms may find that their final exam (whether regularly scheduled or make-up) has more questions concerning the material that would have been tested on the unwritten midterm. Or, for another example, a student writing a make-up final exam may find that their final exam has questions on different topics than those tested in the regularly scheduled final exam, and that those questions need to be answered by essay rather than

short-answer or multiple-choice. Such alterations are not intended to change the expected difficulty of the exams.

Schedule:

O. The course will roughly follow the schedule below. Modifications should be expected.

Weeks 1,2,3 (ends Sept 30):

Introduction. BB Chapter 1, SE Chapters A, B.
Special case of one good. BB Section 3.2A, SE Chapter C
Expenditure and price ratio. BB Section 4.1, SE Chapter D
Total utility and MRS, SE Chapter E (through E.4)
First midterm examination (tentatively Sept 30)

Weeks 4,5,6 (ends Oct 21)

Total utility and MRS (continued). BB Sections 3.2B, 3.3, SE Chapter E (after E.4), F
Utility maximization. BB Section 4.2, SE Chapter G
Price and Income Effects. BB Sections 2.2, 2.3, 5.1, 5.2, 5.3, SE Chapter H
Second midterm examination (tentatively Oct 21)

Weeks 7,8,9 (ends Nov 18)

Transformed utility. BB Section 3.1, SE Chapter I
Applications of consumer theory. BB Sections 5.4, 5.5
Special case of one input. BB Section 6.1, 6.2
MRTS and returns to scale. BB Sections 6.3, 6.4, 6.5
Third midterm examination (tentatively Nov 18)

Weeks 10,11,12 (ends Dec 9)

Cost minimization. BB Sections 7.1, 7.2
Comparative statics. BB Sections 7.3, 8.1
Perfect competition. BB Sections 2.1, 9.1, 9.2, 9.5B
Government intervention. BB Sections 10.1, 10.2, 10.3

Week 13+

Final examination (to be scheduled by registrar)

Privacy and Copyright:

P. Students may not record office hours or any other online session. This is to protect the privacy of the other students.

Q. All course materials are protected by copyright law. Thus a student may not reproduce (or allow others to reproduce) any of the course materials, unless it for the student's own educational purposes.

Please Note
Department & University Policies for 2020-2021

The University expects all students to take responsibility for their own Academic Programs. Students should check their registration to ensure they are enrolled in the correct courses.

Academic Rights and Responsibilities: Students should be familiar with their “Academic Rights and Responsibilities” as outlined [here](#) in the Western Academic Calendar. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated procedures.

Guidelines and Policies for Students are posted online in the current Western Academic Calendar at <http://westerncalendar.uwo.ca>. Undergraduate information for the Faculty of Social Science can be found at: <https://www.ssc.uwo.ca/undergraduate/index.html> and for the Department of Economics at: <https://economics.uwo.ca/undergraduate/index.html>.

Rules of Conduct for Examinations: Students are expected to know the university’s Rules of Conduct for Examinations, available [here](#).

Cheating and Academic Offences: Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating and other academic offences very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in Economics courses or programs. The University may impose further penalties such as suspension or expulsion.

Plagiarism: Plagiarism is an academic offence. Students must write their essays and assignments in their own words. Ideas/passages taken from another author must be referenced with footnotes or citations and acknowledged with quotation marks where appropriate. Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3. See Scholastic Discipline for Undergraduate Students [here](#) in the Western Academic Calendar.

Academic Appeals: Students should refer to the Student Academic Appeals section [here](#) in the Western Academic Calendar. Please note the relevant deadlines.

Department Appeals Procedures: The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may submit a written appeal to the Undergraduate Director in Economics, stating the reasons for their appeal. Information on the Department of Economics’ appeals procedure and the appeals form are available [here](#).

Systematic Adjustments: Systematic adjustments of class grade distributions (either up or down) can occur in Economics courses. The systematic adjustment of a class grade distribution is **not** grounds for an appeal.

Add/drop deadlines:

Deadline to add a first term half course:

Thursday September 17, 2020

Deadline to drop a first term half course:

Thursday November 12, 2020

Oversleeping or Misreading the Exam Schedule: Faculty of Social Science policy states that oversleeping or misreading the exam schedule is NOT grounds for a makeup. This rule applies to all exams in the Department of Economics.

End of Term Travel: Students must book travel arrangements AFTER final exam dates have been posted; travel is not an acceptable excuse for absence from a final exam.

Rewriting Exams and Retroactive Reweighting are NOT Permitted: Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted.

Accommodation Policies: Students with disabilities should work with Accessible Education (formerly SSD), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).

Academic Consideration for Student Absence: Students will have up to two (2) opportunities during the regular academic year to use an on-line portal to self-report an absence during the term, provided the following conditions are met: the absence is no more than 48 hours in duration, and the assessment for which consideration is being sought is worth 30% or less of the student's final grade. Students are expected to contact their instructors within 24 hours of the end of the period of the self-reported absence, unless noted on the syllabus. Students are not able to use the self-reporting option in the following circumstances:

- for exams scheduled by the Office of the Registrar (e.g., December and April exams)
- absence of a duration greater than 48 hours
- assessments worth more than 30% of the student's final grade
- if a student has already used the self-reporting portal twice during the academic year

If the conditions for a Self-Reported Absence are *not* met, students will need to provide a Student Medical Certificate if the absence is medical or provide appropriate documentation if there are compassionate grounds for the absence in question. Students are encouraged to contact their Faculty academic counselling office for more information about the relevant documentation. It is strongly recommended that students notify the instructor as soon as possible, ideally before the assessment, when they become aware of an absence. University policy is that students must communicate with their instructors no later than 24 hours after the end of the period covered by the SMC or immediately upon their return from their documented absence. Failure to follow University policy and procedures may result in denial of academic accommodation and a grade of zero.

Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons. **All required documentation for absences that are not covered by the Self-Reported Absence Policy must be submitted to the Academic Counselling office of a student's Home Faculty.**

For Western University policy on Consideration for Student Absence, see:
[Policy on Academic Consideration for Student Absences - Undergraduate Students in First Entry Programs.](#)

For the Student Medical Certificate (SMC), see:
http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf.

Religious Accommodation: Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

Policy Regarding Class Attendance and Engagement: If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

Statement on Mental Health and Support Services: Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.