

INTERMEDIATE MICROECONOMIC THEORY I
ECONOMICS 2150B-001
Department of Economics
Western University
January 2025

Instructor: Peter Streufert
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Office hours: W 10am-2pm (ET, via Zoom)

Course website: <https://westernu.brightspace.com/>
Delivery mode: In person
Meeting time and place: Tu 12:30-2:30pm, Th 12:30-1:30pm, UC3110
Undergraduate Inquiries: 519-661-3507, 4078 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, Calculus 1000A/B, Calculus 1500A/B, or Mathematics 1225A/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.

Textbook:

B. The textbook is Peter Streufert, 2024, *Sandbox Examples for Intermediate Consumer and Producer Theory*. This will be available without cost on OWL (this copyrighted material is for your personal use only). It is abbreviated "SE" below. Note that about 20% of the course material will be presented in lecture alone. (An additional resource is the Economics Department's [webpage](#) of math resources for students in required 2100 courses.)

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, and (3) to be prepared for unexpected contingencies.

D. Access to OWL and Zoom resources will be restricted to students with UWO credentials. This is typically done by means of students' UWO email addresses (@uwo.ca or @ivey.ca). For technical support, see the OWL Help page or contact Western Technology Services. Google Chrome and Mozilla Firefox are the preferred browsers for OWL (please update your browser frequently).

Marking:

E. The course mark will be determined by two 75-minute midterm examinations (25% each) and a two-hour final examination (50%). The midterms are tentatively scheduled for 12:30-1:45pm on Tuesday February 4 (in place of lecture), and 12:30-1:45pm on Tuesday March 11 (in place of lecture). The final exam will be scheduled by the registrar at a later date.

F. Although some examination questions will resemble homework problems, students should not expect that all examination questions will resemble homework problems. Further, little information about the format of the examinations will be given prior to the examinations. This allows the instructor to more efficiently examine whether students have accomplished the course learning outcomes.

G. As with any course, it is impossible for this course's instructor to perfectly predict the difficulty of examination questions. Because of this, students should not expect that the course mark will equal the average percentage of correctly answered examination questions. Rather, systematic adjustments to such percentages will occur.

Provisions for Fairness:

H. Full examination instructions will be made known as the examinations approach. However, two rules can be expected. (a) During examinations, students may not use any books, or notes, or cell phones, or electronic dictionaries, or any device with graphing or programming capabilities. Cheap calculators will be the only devices allowed. (b) During examinations, students may not communicate about exam content with any person other than the instructor. This implies that students may not talk with the proctors about the exam content.

I. University policy on academic considerations is described [here](#). Within that document, please be especially sure to read parts 1-4 in the Policy section. Note that any academic considerations granted in this course will be determined by the instructor, in consultation with the academic advisors in your Faculty of Registration, in accordance with information presented in this course outline.

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

K. If a student takes both midterms, and scores higher on the final than on their worst midterm, the course mark will be calculated by placing 15% of the weight on the worst midterm, 25% on the other midterm, and 60% on the final.

L. If a student misses the final exam, University and Economics Department policies require that they (a) request academic consideration from the counselors and (b) contact the instructor, both within 48 hours. Failure to do so will typically invalidate any excuse in all but extreme circumstances. Make-up final exams will be scheduled by the instructor. (Note that Paragraph I also applies to make-up final exams.)

M. 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.

Tentative Schedule:

N. Although the course will cover the standard topics from first-semester intermediate microeconomics, the course will present the material in a different and more accessible order. For this reason, the order below may appear scrambled relative to the order used in other sections of 2150.

O. The specific readings below are tentative and incomplete (please see the OWL site for the actual readings as the term progresses). The February midterm should find us a step into Part 2, and the March midterm should find us a couple steps into Part 3.

Part 1. Constrained optimization with one choice variable (readings are tentative)

Output from one input. SE Chapter 1

Producer theory with one input. SE Chapter 2

Utility from one consumption good. SE Chapter 3

Consumer theory with one consumption good. SE Chapter 4

Part 2. Equilibrium among one-choice-variable agents (readings are tentative)

Profit maximization, SE Chapter 5

Perfect competition, SE Chapter 6

Government intervention, SE Chapter 6

Part 3. Constrained optimization with two choice variables (readings are tentative)

Expenditure on two consumption goods and the price ratio. SE Chapter 7

Utility from two consumption goods and the MRS. SE Chapter 8

Indifference curves over two consumption goods. SE Chapter 9

Utility maximization with two consumption goods. SE Chapter 10, 11

Consumer theory with two consumption goods. SE Chapter 12

Output from two inputs. SE Chapter 13

Producer theory with two inputs. SE Chapter 13

Part 4. Equilibrium among two-choice-variable agents

(Revisit Part 2 and make small modifications)

Privacy, Copyright, Conduct:

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.

R. Students are expected to follow the [Student Code of Conduct](#).

PLEASE NOTE
DEPARTMENT & UNIVERSITY POLICIES FOR WINTER 2025

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

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. A *[new academic consideration and flexibility in assessment](#)* policy is in effect starting September 2024. Students can miss one assessment per course per term without medical documentation. Faculty can designate one assessment per course for which students **cannot** self-attest.
3. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
4. **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 behavior. 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 suspension or expulsion.
5. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20).

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 4.

6. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
7. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14. **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals. 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 proceed to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.

8. **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.

9. **ADD AND DROP DEADLINES:**

- Deadline to **ADD** second term full or half course: **January 14, 2025**
- Deadline to **DROP** second term full or half course: **March 31, 2025**

Policy Regarding Makeup Tests and Final Examinations

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

Policies Regarding Academic Accommodation

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see http://academicsupport.uwo.ca/accessible_education/index.html), 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](#).
- **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. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **48 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**
- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here: https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medical_certificate.pdf
- **Documentation for Accommodation:** 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.

- **Western University policy on Consideration for Student Absence** is available here: https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **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 2024 Diversity Calendar available at <https://www.edi.uwo.ca/> (see bottom right of page).

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 Gender-Based and Sexual Violence: Western is committed to reducing incidents of gender-based and sexual violence (GBSV) and providing compassionate support to anyone who is going through or has gone through these traumatic events. If you are experiencing or have experienced GBSV (either recently or in the past), you will find information about support services for survivors, including emergency contacts at the following website: [Get Help](#). To connect with a case manager or set up an appointment, please contact support@uwo.ca.

Statement on Mental Health and Support Services: Students who are in emotional/mental distress should refer to Mental Health@Western <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

Statement on Remote Proctoring: While Western intends to hold most classes, mid-terms and finals in-person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.