

The University of Western Ontario  
Department of Economics  
**Intermediate Microeconomic Theory I – Distance Studies**  
Economics 2150A–650

Instructor: Hiroaki Mori

Summer 2013

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Office Hours: An office hour will be set before each assignment and the final exam. Otherwise, students are encouraged to contact instructor by e-mail.

**Course Description:**

This course builds the analytical foundation upon which nearly all economic models and predictions are based: constrained optimization, equilibrium analysis, and comparative statics. You will learn how a consumer chooses among different goods when constrained by her budget, how firms allocate resources when constrained by costs or production capabilities, and how these decisions change with economic conditions. You will see, as the course progresses, how the choices made by individual consumers and firms translate into stable, predictable outcomes in the market as a whole. The analytical approach will be grounded in numerous real world examples to demonstrate the importance of understanding the basic economics that underpins the workings of our daily lives.

Since this is an *online* course, all other course material, as well as assignments and quizzes, will be provided exclusively through OWL. Assignments and quizzes will only be accepted through OWL.

**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 your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://studentservices.uwo.ca/secure/index.cfm> (Choose “personal timetable”). If you notice a problem, please contact your faculty academic counsellor right away.

**Prerequisite Note:**

The prerequisites for this course are *Economics 1021A/B and 1022A/B, or Economics 1020, and one of MCV4U, Mathematics 0110A/B, Calculus 1100A/B, or the former OAC MCB4U.*

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken an antirequisite course. 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.

**Textbook:**

David Besanko and Ronald R. Braeutigam, *Microeconomics*, 4<sup>th</sup> edition, John Wiley and Sons Inc., 2010

It is required that students have accesses to the textbook, and they are highly recommended to have the study guide as well. A copy of the textbook should be available in the reserve section of the Weldon library once the term begins.

**Tentative Course Schedule:**

Content	Textbook Chapter(s)	Week(s)
Introduction	1	1, May 6-10
Demand and Supply	2	2, May 13-17
Consumer Preference	3	3-4, May 20-31
Consumer Choice	4	5, June 3-7
Theory of Demand	5	6, June 10-14
Production Technology	6	7-8, June 17-28
Cost Minimization	7	9, July 2-5
Cost Curves	8	10, July 8-12
Competitive Markets	9	11, July 15-19
Applications	10	12, July 22-26
Final Exam	1-10	13, July 29-August 1

**Evaluation:**

The course grade will be based on two assignments, four short quizzes, and a final exam. Both the assignments and quizzes will be submitted via OWL. The format of the assignments and the final exam will include short answer questions such as true/false and explain, and problem-solving questions similar to those on the quizzes.

The quizzes and the assignments are due on the FRIDAY of the week indicated below. The final exam will be scheduled in the week of July 29<sup>th</sup> to August 1<sup>st</sup>.

The distribution of the marks is as follows:

Short Quizzes	20%
Assignments	30%
Final	50%

Assessment	Content	Due Week
Quiz 1	Chapters 1-2	3
Quiz 2	Chapters 3-4	5
Quiz 3	Chapters 6-7	9
Quiz 4	Chapters 8-9	11
Assignment 1	Chapters 1-5	6
Assignment 2	Chapters 6-10	12

### **Late/Missed Assignments or Quizzes:**

If a student miss a deadline for the quizzes and the assignments, students are responsible to inform the instructor within 24 hours. Any subsequent missed quizzes/assignments will be given a grade of zero. *Late assignments will be assessed a 10% penalty the first day, and not accepted subsequently.* If a student fails to submit a quiz or an assignment on time, and has a valid reason, it is their responsibility to contact the instructor and explain the reason. Only valid reasons, with proper approval documentation, will be granted accommodation.

### **How to Approach This Course:**

A reasonable way to approach this course would be as follows:

1. Work through the textbook chapters, as they are covered in the course. **Certain concepts and techniques introduced early are fundamental to understanding later chapters, so be sure you feel comfortable with earlier chapters before proceeding.** Take notes as you read if that is helpful to you.
2. **Read the course notes.** The course notes are intended to both clarify and summarize the theory and techniques covered in the corresponding chapter of the textbook. Examples embedded in the notes build a working knowledge of the material, and applications illustrate the versatility of microeconomic theory. If there are diagrams in the notes, make certain that you can draw them, fully labeled, independently and accurately.
3. **Economic analysis cannot be mastered by memorizing key concepts and reading through examples alone.** Working independently on

exercises is essential to understanding the course material. Work through the study guide. The study guide summarizes the material in the corresponding chapter of the textbook. Also included in the study guide are Exercises, Chapter Review Questions, Problems, and Exam Questions, complete with detailed answers written so as to teach students how to solve problems. Work on the questions assigned out of the study guide as the related topic is covered in the course. **The more questions you do, the better you will do in the course.** If you wish to work on more practice questions, do the end-of-chapter problems assigned out of the textbook. Fully worked-out solutions to selected textbook problems are provided at the end of the book. Additional online practice quizzes are also available on the textbook website: [www.wiley.com/college/besanko](http://www.wiley.com/college/besanko) (after logging onto the site, find the textbook we are using, then click on student companion site).

4. Once you are confident that you have mastered the material in a chapter, including the examples and exercises, move on to the next chapter, proceeding in the same way. **Do not move on if you feel there are serious gaps in your understanding, or in your ability to do the exercises.** The material in this course continuously builds on what came before, so your confusion is likely to increase if you move ahead before you are ready.
5. Finally, begin to work on the assignment problems for each chapter as soon as you complete any chapter. **The more time you spend on each question or problem, the better your answer will be.** Complete each assignment by the end of the week indicated.
6. **Do not be afraid to ask for help.** Send the instructor an email if you are unable to confidently move onto the next chapter.