



Department of Economics and Finance

ECON*2310 01 02 03
Intermediate Microeconomics
Fall 2013



Instructors: Jennifer Teng (Section 1)

Email jteng@uoguelph.ca

Office: 746 x52357

Office Hours: **Tuesday** 2:30-4:00

Thursday 2:30-4:00

& by appointment

Patrick Martin (Section 2 and 3)

Email: pmartin@uoguelph.ca

Office: MACK 739 x53537

Office Hours: **Monday** 2:00-3:30

Thursday 10:00-11:30

& by appointment

It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of-class assignment, what to do when you cannot meet a course requirement, and the drop date for this semester. To better understand these policies, visit:

<http://www.uoguelph.ca/economics/node/1115>

Course Description

This course will provide students with a deeper understanding of the basic concepts of microeconomic analysis. We will study topics such as consumer and producer theory, perfectly and imperfectly competitive markets, and market failures. Throughout the course, there will be an emphasis on analytical tools to complement the intuitive understanding of the subject.

Course Evaluation

You will be asked to complete **an in class evaluation** of this course at some time during the last two weeks of the semester. The Department of Economics policy regarding the conduct and use of these can be found at:

<http://www.uoguelph.ca/economics/academics/courses/course-evaluation>

Course Materials (Required)

Textbook: Bernheim, B. and Whinston, M., and Martin, P. *Microeconomics: Canadian Edition*, McGraw Hill Irwin, 2011 (Several copies will be placed in the library.)

The textbook only has an online “learning center” which comes with the textbook and does not require an additional payment. Instructions on how to access the online material, and suggestions for its use will be given in class. No marks will be associated with the use of this material but students are urged to make use of this supplemental material which includes interactive learning tools. The website includes a math review that we strongly recommended you visit during the first week of class.

Course Administration

As all three sections of the course (and all 9 labs) are being run as one course we will use a common contact point for most administrative issues. The email address ECON2310@uoguelph.ca will be staffed by one or more of the teaching assistants to deal with most course administrative matters, exam conflicts, missed exams, writing quizzes in different labs, changing discussion groups, etc. Questions about the course readings or assignments should be posted in the appropriate discussion group (described below). You can and should email your instructor at the email addresses at the top of the course outline about the specific content of his/her lecture and if you feel you would rather talk with your instructor than with a Teaching Assistant. Note that email accounts are not routinely monitored during the evenings and during weekends – we will try to get back to you as soon as possible. There are two class conferences available on the course website (see sections on discussions below) including a peer help section where you might be able to get help during the weekends or evenings (this discussion group is not monitored by the teaching assistants or instructors). **WE DO NOT ANSWER EMAILS THAT DO NOT COME FROM AN UoG ACCOUNT**

We strongly urge you to review the course outline and the updates on the course website to see if your question is answered there before emailing your instructor or teaching assistants. We will be posting updates throughout the term so visit the website regularly. Information on exam format, coverage, and locations will be discussed in class and posted on the course website and there should NEVER be a need to email and instructor or TA asking questions about exam format, coverage, or location within a week of an exam

Labs

NOTE* Attendance forms will be passed out each lab section. There are two reasons for doing so – the first is obviously to see who is attending lab – they are an important part of the course – we do not explicitly use this information in determining the final mark – (see the evaluation section). The second is to determine who is eligible to write the quiz. Once the attendance form is signed you must write the quiz given in lab or receive a zero. You may only write the quiz if you have signed the attendance form.

Labs will be held starting the week of September 9-13 which we will call week 1. Labs will be utilized for problem solving and review and for quizzes. Six weeks during the semester will be assigned for review and problem solving and six weeks will be assigned for quizzes (see the course schedule at the end of the outline). Students are strongly urged to attend labs as they are one of the most efficient ways to study the course material. For most students attending lab one hour a week will save far more than one hour of individual study time. There are several lab times each week and you will have been assigned to one lab time. You may attend another lab time (all 9 of the labs assigned to the three sections of the course will be run identically) with the permission of the lab instructor. Students should try and attend the lab time to which they have been assigned however, especially during the biweekly quizzes, to avoid having too many students for the available seats.

Requirements and Grading

Quizzes	20% (Best 4 of 5 quizzes worth 5% each)
Midterm	35% - October 26 (Saturday) 1:00-3:00pm all sections Rozanski 101
Final	45% - Dec. 4 2013, from 2:30-4:30 pm and Location

Students may miss one quiz as only the best 4 of 5 quizzes will be counted but it is strongly recommended that all 5 be written. If you can't make your lab time to write a quiz you may write it in another section if you have a legitimate and verifiable excuse (see section on missed exams below).

Assignments and Quizzes

There will be five non-graded homework assignments, posted online during the semester, that consist of approximately a dozen questions that cover roughly 2 chapters each (except for quiz 2 and which covers chapters 4-6 and section 10.2), and is divided into two parts – a “Practice” part and a “Quiz” question part. Some of the *practice* questions will be discussed in lab sections (starting the week of September 9-13) and the *quiz* questions will be used to create the biweekly quizzes. The assignments are not graded or turned in but, as was just stated, the *quiz* questions will be used to create graded quizzes as described below.

During the weeks in which there is a quiz in lab the TA will randomly select 2 of the questions from the *quiz* question part of the assignment. Students and lab instructors will only learn which 2 questions comprise the quiz once the lab section starts. The different lab sections will all likely receive a different combination of questions on the quiz although it is possible that two labs will have the same two questions. The quiz questions will in many instances be identical to the questions on the assignment or they will be the same question but with different numbers. Since the quiz questions are being selected from the assignment all students will have seen the quiz questions beforehand and hopefully will have solved the questions before they take the quiz. Although the practice and quiz sections parts of the assignment will not be graded (except that 2 of the quiz questions will be graded when given as a quiz) doing the assignments is the only real way to be sure that you learn the material and can successfully complete the midterm and final.

Some parts of quiz questions are being uploaded into the MapleTA system which allows students to practice questions and provides feedback. Hopefully this additional tool will be available during the semester. In addition there are practice problems that will be available on courselink to use that consist of short problems, multiple choice and true false questions. I will also make available a large set of true false statement that will help you identify the important parts of each chapter.

Note* You will not be given answers to ALL problems during the semester. You will receive them for the practice part of the six non-graded homework assignments before each quiz and of course the quiz answer key after the quiz. If the Maple TA questions are ready answers will be given immediately after you have submitted your answer. We will provide answers to the end of chapter exercises in the textbook if you come to office hours and show us your work on the problem. We will not provide answers to the True False statements for each chapter as we plan on using some of them on the midterm and the final exam – however they are an exceptional guide to the important concepts in each chapter and we urge you to work together to solve them.

Midterms and Final

The midterm will test material in chapters 1-8 and 10 and will be given at 1:00 - 3:00pm on Saturday October 26 in Rozanski 101. The midterm exam will be multiple choice and true false questions so we can have it marked and posted before the drop date on October 31st.

The final exam will be comprehensive but roughly 80% will cover the material in chapters 9, 14, 15, 17, 18, and 19.

Missed Exams and Time Conflicts

A student who has a time conflict with the final exam (see above) should not enroll in the course. If the final exam is missed, the course is not completed. You should not make any travel plans or appointments that conflict with the final exam. Doing so will require that you go through a formal appeal process to request a deferred exam in the Winter semester. Obviously emergencies and illness happens and the same appeal process can be used to request a deferred exam.

The Midterm exam will be given on Saturday October 26. Makeup exams will only be given if the student has a documentable illness or compassionate reason for missing the exam. The instructors realize that some students participate in university athletics, university clubs, or have other compelling reasons for not being able to write an exam on that date. Let your instructor know as soon as possible if you have a conflict with the midterm so you can be approved to write the makeup exam (usually given from 5-7pm from 5 to 10 days after the scheduled midterm.) If you miss a midterm exam, this midterm exam will count as 0%, unless a verifiable and legitimate excuse is presented (a note from a program advisor will suffice.) If you have a verifiable and legitimate excuse, and cannot write the makeup exam, the weight of the midterm will be placed on the final exam.

It is the student's responsibility to inform the instructor of an existing conflict with a midterm exam within the first several weeks of the course and to discuss how this time conflict will be handled. Student athletes and other students away on university trips should find out whether scheduled events conflict with the exams early in the semester so we can try and accommodate you.

Your quiz mark is comprised of your best 4 of 5 quizzes. If you cannot make your lab time to write a quiz you may write your quiz in any other lab that is not full. At the start of the semester we will post the lab times (if any) where the room capacity has not been met and could accommodate students not able to make their own section that week. If you do miss one quiz then that will be the quiz we drop in calculating your quiz mark. If you miss more than one quiz the weight of the quiz will be placed on the final exam. We **STRONGLY** urge students not to intentionally miss a quiz. Remember you will have the quiz questions beforehand and you will obviously not have the final exam questions provided to you.

Announcements and Online Materials

Course announcements will be on the class website. Answer keys and other course material will be posted online as available. This will include advance comments about the midterms and final exams.

Discussion Groups

There are two main discussion groups. One is a peer help discussion group and the other is monitored by the course TAs and instructors. These two discussion groups have each chapter in the text and the midterm and final as topics to help organize submissions. Students should use these two groups to post questions (and answers) about the course content.

The course website will also have small discussion groups (six members) that you may enroll in. Each week there will be posted a dozen or more true false statements that cover the essential concepts from the readings. The discussion groups are created to facilitate discussion of the course material and are a valuable way to help one another. Of course you may choose to get together with several classmates to discuss the course without joining a small discussion group.

Contact Information

As mentioned above under Course Administration we prefer most course questions be directed to our ECON2310@uoguelph.ca email address. Our strong preference is that you use office hours and time before and after class to ask substantive questions about the course and we always enjoy meeting our students in person rather than trying to hold discussions on the phone and via email. In particular many of the concepts and models discussed during the course require graphical analysis or mathematical equations that cannot easily be discussed or explained using email. Labs also provide students with a chance to ask questions about the course material. We also would appreciate that you consult this course outline and read announcements on the course website *before* emailing us or the teaching assistants with course questions as they may already have been answered. We will also discuss and post comments about the midterm both in class and online so there is not a need to ask us individually about exam content, chapter coverage, etc.

Course Readings and Schedule (Course timing and readings MAY be changed if necessary)

Written chapter summaries (and hopefully videos on selected topics) will be available online.

Week 0 – September 5 - 6

Read Chapter 1 – Preliminaries

Read Chapter 2 – Supply and Demand (review) – overview (exclude appendix)

Week 1 – September 9 – 13

Read Chapter 2 –

Read Chapter 3 – Balancing Benefits and Costs - (including appendix)

Week 2 – September 16 – 20

Read Chapter 4 – Consumption Decisions - Sections 4.1 – 4.4

Quiz 1 in lab – chapters 2 and 3

Week 3 – September 23 – 27

Read Chapter 5 – Constraints, Choices, and Demand – (excluding section 5.6)

Week 4 – September 30 – October 4

Read Chapter 6 – From Welfare to Demand – (excluding section 6.5 and appendix)
Read Chapter 10 – Choices Involving Time – Section 10.2 pp.339-347

Week 5 – October 7 – 11

Read Chapter 7 – Production Decisions
Read Chapter 8 – Cost – Sections 8.1 – 8.3
Quiz 2 in lab – chapters 4, 5, 6 and section 10.2

Week 6 – October 14 – 18 (Thanksgiving, Monday October 10th class cancelled)

Read Chapter 8 – Cost – Sections 8.4 – 8.8 (excluding section 8.9)

Week 7 – October 21 – 25

Read Chapter 9 – Profit Maximization – (excluding 9.6)
Read Chapter 14 – Equilibrium and Efficiency – Sections 14.1 – 14.2
Quiz 3 in lab – chapters 7 and 8

Midterm – October 26 (Chapter 1-8, 10) 1:00-3:00pm Rozanski 101 (all sections)

Week 8 – October 28 – November 1 (Thursday October 31 is the 40th day of classes – last day to drop)

Read Chapter 14 – Sections 14.3 – 14.5
Read Chapter 15 – Market Interventions – Section 15.1-15.2

Week 9 – November 4 – 8

Read Chapter 17 – Monopoly – Sections 17.1 - 17.4
Quiz 4 in lab – chapters 14 and 15 (Thursday and Friday labs only)

Week 10 – November 11 – 15

Read Chapter 17 – Sections 17.6, 17.7 – (excluding section 17.5 and 17.8)
Quiz 4 in lab – chapters 14 and 15 (Monday, Tuesday, and Wednesday labs only)

Week 11 – November 18 – 22

Read Chapter 18 – Pricing Strategies – Sections 18.1 – 18.3
Quiz 5 in lab – chapters 17 and 18 (Thursday and Friday labs only)

Week 12 – November 25– November 28 (Thursday – rescheduled from Monday October 14th)

Read Chapter 19 – Oligopoly – Sections 19.3, (Read Section 19.8 outside of class)
Quiz 5 in lab – chapters 17 and 18 (Monday, Tuesday, and Wednesday labs only)

Week 13 – **FINAL EXAM** – Dec. 4, 2013 from 2:30-4:30 pm, location and seating TBA

The Department of Economics and Finance *Learning Objectives (skills and knowledge competencies) for this course:*

Skills:

a) ***Numerical Problem Solving:***

Students will *learn* basic problem solving techniques used in microeconomics. This includes, for example, techniques to *calculate* elasticities, *determine* the market equilibrium, *compute* total/marginal/ average costs, find profit-maximizing prices and quantities, risk premiums, and best response functions for the Cournot duopoly model. This will be tested on quizzes, the midterm, and final.

b) ***Analytical Problem Solving:***

The course will use algebraic and graphical *analysis to demonstrate and interpret* various economic models, including the demand and supply model, market equilibrium determination, the impact of government regulation on the economy, strategic interaction and social welfare. This will be tested on quizzes, midterm, and final.

c) ***Problem Solving in a Real World Context:***

Students will *apply* the microeconomic principles learned in this course to critically *examine* everyday economic events. This will be tested on assignments, quizzes, midterm, and final.

d) ***Professional and ethical awareness and conduct:***

There will be no extensions on assignments in order to access *time management* skills.

Knowledge:

a) ***Mathematical Methodology:***

Students will *apply* mathematical concepts and tools, such as computing the slope of a line or graphing the relationship between variables, to *explain* basic economic models and the interaction between economic variables. This will be tested on quizzes, midterm, and final.

b) ***Microeconomic Modeling:***

Students must ***understand*** basic principles of microeconomics (including demand and supply, utility and consumer choice, production and cost, market structure, government intervention, and credit markets), ***demonstrate*** basic economic models and ***discuss*** how these models work. All of the assessment tools in this course will test these ideas.

c) ***Understanding of Specific Markets:***

Specific markets will be ***analyzed*** in this course, including goods, housing, labour, and credit markets.

d) ***Economic Policy and Regulation:***

Students must ***understand*** the successes and failures of government intervention in the market and ***explain*** the role of public policies, such as competition policy and environmental policy. This will be tested on quizzes, midterm, and final exam.