

Economics 301 (L01) Intermediate Economic Theory – Microeconomics

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Lecture Location: ST 139
Lecture Days/Time: MWF 12:00-12:50

Office: ZOOM Delivery
Office Hours: MW 4-5pm
<https://ucalgary.zoom.us/my/ajakobsen>

Fall 2021

Course Description:

This course is the first of a pair of courses designed to acquaint students with microeconomic theory. Microeconomics is concerned with a systematic understanding of the choices of individuals, firms, and organizations. Economic theory provides the structure, or framework, for economic inquiry.

Course Learning Outcomes:

Upon successful completion of this course, students will be able to:

- (a) Understand the principles that serve as the foundation of economic reasoning and analysis.
- (b) Understand how equilibrium is reached through the interaction of actors at the individual and aggregate level.
- (c) Conduct comparative statics on models studied in class.
- (d) Evaluate the strengths, limitations, and value judgements imposed in various economic models.

Course Outline:

1. The Economist's View of the World and the Economic Way of Thinking; Scarcity and Its Management; Pareto Optimality and Gains from Trade; The Role of Prices and Markets; Institutional Foundation of Market Economies; Restrictions on Voluntary Trade; Success of Market Economies and Institutional Choice to Relax Scarcity Constraints.
2. Consumer Theory: Preferences and utility; Budget Sets; Optimal Choice and Derivation of a demand function; Marshallian and Hicksian demand functions; Income and Substitution Effects; Expenditure function; Measuring Welfare (CV, EV, Consumer Surplus); Applications.
3. Neoclassical Theory of the Firm. Characterization of Technological Possibilities; Opportunity Costs, Sunk Costs, Depreciation, the User Cost of Capital and Economic Profit; Profit Maximization; Cost Minimization.
4. Theory of Perfect Competition. Assumptions; Price Taking; Supply Curves; Short Run Equilibrium; Quasi-Rents versus Profits, Entry and Exit; Long-Run Industry Supply Curve; Ricardian Rents.
5. The Use and Usefulness of Economics in the Determination of Public Policy: Equity vs. Efficiency; Market Failure and the normative role for government; Introduction to Econ 357.

Prerequisites/corequisites:

Economics 201 and 203; Mathematics 249, 265, or 275.

Required Textbook(s):

None. There two recommended texts (see below) but they are not required to complete the course.

Recommended Textbook(s):

- Osborne, M. and Rubinstein, A. 2020. *Models in Microeconomic Theory*. Open Book Publishers. Available for free at:
 - <https://www.openbookpublishers.com/product/1159> (masculine pronouns version)
 - <https://www.openbookpublishers.com/product/1171> (feminine pronouns version)
- Varian, H. 2014. *Intermediate Microeconomics: A Modern Approach*, 9th edition. New York: Norton.

Lectures, problem sets, and other course materials will be self-contained, so the above texts are mainly recommended for additional background.

Books on Reserve:

None.

Desire2Learn:

This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Tutorials:

Students are expected to attend the weekly tutorial section to which they have been assigned. During the tutorials, the TA will discuss pre-assigned questions and additional material relevant to the course that is not covered in lectures.

Grade Determination and Final Examination Details:

MIDTERM EXAMS (2)	2 x 15% = 30%
FINAL EXAM	45%
ASSIGNMENTS (5)	<u>5 x 5% = 25%</u>
	100%

The official grading system will be used. See <http://www.ucalgary.ca/pubs/calendar/current/f-1-1.html>.

A passing grade on at least 50% of the course work (according to the weights above) is required to pass the course.

The schedule for assignments and exams is as follows:

Assignment 1	Due Sep. 22
Assignment 2	Due Oct. 8
Midterm 1	Oct. 15
Assignment 3	Due Oct. 29
Assignment 4	Due Nov. 17
Midterm 2	Nov. 22
Assignment 5	Due Dec. 6
Final Exam	Registrar Scheduled

If a student's letter grade on the final exam exceeds their midterm(s) letter grade, the weight of the midterm(s) may be transferred to the final exam at the discretion of the instructor. The student must have written the midterm(s) or provided supporting documentation for the absence(s) such as a medical note or statutory declaration.

As per the Writing Across the Curriculum Statement in the Calendar, writing and grading thereof will be a factor in the evaluation of student work. [See https://www.ucalgary.ca/pubs/calendar/current/e-2.html](https://www.ucalgary.ca/pubs/calendar/current/e-2.html).

Course material dealing with a particular assignment will typically be covered in class at least 7 days before the assignment is due; thus, assignments can be completed at any time up to and including the due date. Given these factors, only situations where someone can document illness or domestic affliction for an extended period (i.e., the entire 7 days prior to the due date) would possibly warrant shifting the assignment weight to the final exam. Furthermore, technical problems can be expected to occur with computer systems (and internet availability) so it may be a good idea to not wait until the last minute to submit your assignment.

Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during the instructor's office hours.

The final examination will be comprehensive, scheduled by the Registrar, held in a classroom, and last 2 hours. If a student cannot write their final exam on the date assigned by the Registrar's Office, they need to apply for a deferred exam <https://www.ucalgary.ca/pubs/calendar/current/g-6.html>. Under no circumstance will this be accommodated by the Department.

Tests and exams will not involve multiple choice questions.

Programmable calculators, cellphones, textbooks, course notes, and other electronic devices will not be allowed during the writing of tests or final examinations. Students are reminded that simply being able to access their cellphone during an exam is academic misconduct.

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES/TESTS/EXAMS under any circumstances, nor may the quizzes/tests/exams be written early. Students unable to write the quizzes/tests/exams because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the final examination; otherwise a grade of zero will be assigned.

Reappraisal of Grades:

For Reappraisal of Graded Term Work, see Calendar I.2
<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For Reappraisal of Final Grade, see Calendar I.3
<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

Academic Misconduct:

Academic Misconduct refers to student behavior that compromises proper assessment of students' academic activities and includes: cheating; fabrication; falsification; plagiarism; unauthorized assistance; failure to comply with an instructor's expectations regarding conduct required of students completing academic assessments in their courses; and failure to comply with exam regulations applied by the Registrar.

Student committing academic misconduct during the final exam will not receive a passing grade for the course.

For information on the Student Academic Misconduct Policy, Procedure and Academic Integrity, please visit: <https://www.ucalgary.ca/pubs/calendar/current/k-3.html>

Academic Accommodations:

Students seeking an accommodation based on disability or medical concerns should contact Student Accessibility Services. SAS will process the request and issue letters of accommodation to instructors. Students who require an accommodation in relation to their coursework based on a protected ground other than disability should communicate this need in writing to their instructor. The full policy on Student Accommodations is available at

<https://www.ucalgary.ca/legal-services/university-policies-procedures/accommodation-students-disabilities-procedure>

Freedom of Information and Protection of Privacy (FOIP) Act:

Personal information is collected in accordance with FOIP. Assignments can only be returned to the student and will be accessible only to authorized faculty and staff. For more information, see <https://www.ucalgary.ca/legal-services/access-information-privacy>

Copyright Legislation:

See the University of Calgary policy on Acceptable Use of Material Protected by Copyright at <https://www.ucalgary.ca/legal-services/university-policies-procedures/acceptable-use-material-protected-copyright-policy> Students who use material protected by copyright in violation of this policy may be disciplined under the Non-Academic Misconduct Policy.

Course materials created by instructors (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the instructor. These materials may NOT be reproduced, redistributed or copied without the explicit consent of the instructor. The posting of course materials to third party websites such as note-sharing sites without permission is prohibited. Sharing of extracts of these course materials with other students enrolled in the course at the same time may be allowed under fair dealing.

Recording of Lectures:

Recording of lectures is prohibited, except for audio recordings authorized as an accommodation by SAS or an audio recording for individual private study and only with the written permission of the instructor. Any unauthorized electronic or mechanical recording of lectures, their transcription, copying, or distribution, constitutes academic misconduct. See <https://www.ucalgary.ca/pubs/calendar/current/e-6.html>.

Important Dates:

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>.

Student Organizations:

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

E-mail: econrep@fasaucalgary.ca

Website: www.fasaucalgary.ca.

Society of Undergraduates in Economics: <https://www.ucalgarysue.com/>.

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students to succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career events such as Industry Night and information sessions, mentorship programs, and social events for members. They invite you to join by contacting SUE at societyofundergradsineconomics@gmail.com.

Faculty of Arts Program Advising and Student Information Resources:

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580, or email them at artsads@ucalgary.ca. You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate>, which has detailed information on common academic concerns, including program planning and advice.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Tower.

Student Support and Resources:

- See <https://www.ucalgary.ca/registrar/registration/course-outlines> for information on campus mental health resources, the Student Ombuds Office, Student Success Centre, Safewalk, and Emergency Evacuation and Assembly.
- Online writing resources are available at <https://ucalgary.ca/student-services/student-success/writing-support>.

Notes:

1. Students are responsible for all assigned material, e.g., supplementary material posted on D2L, regardless of whether or not the material was covered in class.

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2021-08-08