

INTERMEDIATE MICROECONOMICS I, ECON 201:12

Department of Economics
St. Francis Xavier University

Fall 2022

Instructor: Teng Wah LEO

Time Blocks and Location: U7/U8 (Monday 2:15 pm – 3:30 pm, & Thursday 3:45 pm – 5 pm), ASCHL207

Office Hours: Monday, 10 am – 11 am & 1 pm – 2 pm; Thursday, 11:30 am – 12:30 pm & 2:15 pm – 3:15 pm; Friday, 1 pm – 3 pm. All other days and time are by appointment only. Office hours are held at my office, MULH3073.

Objective: Intermediate Microeconomic Theory I builds on the knowledge you have gained from Introduction to Microeconomics (ECON 101). We will examine in greater detail individual household and firm decisions, and choices on resource allocation, and the consequent social implications. Emphasis will be placed on theoretical methodology.

The course materials are designed for use in ECON 201 at StFX University by myself only, and are the property of the Teng Wah Leo. Copying this material including assignments, assessments and examinations for distribution, online posting, or selling of this material to third parties without permission is subject to Canadian Copyright Law and is strictly prohibited.

Drop-Date:

Students may drop a course, online in Banner, on or before **November 2nd, 2022**. After this date students are not permitted to drop courses without permission from their Dean. (Please see 3.1 in academic calendar for policy regarding course drops).

Evaluation: There will be two mid term and one final examination. **All tests and final examination will be in-person exams.** In addition, there will also be assignments following pertinent topics to help you consolidate what you have learned. The following will be the allocations, and the tentative dates for the tests:

1. 50%: Mid-Term Tests \times 2 (October 13th, 2022 & November 17th, 2022)
2. 50%: Final Examination

Note: All tests and examinations are compulsory. Should you miss an examination/test without an appropriate reason provided prior to the date of the examination/test at the latest, you will be awarded a mark of zero for that examination/test. There is no recourse after the fact.

Equitable Learning: Everyone learns more effectively in a respectful, safe, and equitable learning environment, free from discrimination and harassment. I invite you to work with me to create a classroom space – both real and virtual – that fosters and promotes values of human dignity, equity, non-discrimination, and respect for diversity.

Reference Text:

Hal R. Varian, *Intermediate Microeconomics with Calculus*, W.W. Norton & Company

Jeffrey Perloff, *Microeconomics*, Pearson

Approach to the Course: You are strongly encouraged to follow the notes posted on the course website closely, <http://people.stfx.ca/tleo/MicroI.html>, and advised to attempt all the questions posted during the class and on the notes. You are free to ask me any questions during classes and office hours, and you are also free to make an appointment outside of those hours. It is beneficial to your experience here if you can form yourselves into study groups, it would help you understand and consolidate the subject matter taught. You are expected to think critically, and not merely memorize the details by rote.

Course Outline:

1. Introduction
2. Consumer Choice
 - (a) Budget Constraint
 - (b) Preferences
 - (c) Utility
 - (d) Choice
 - (e) Demand
 - (f) Substitution & Income Effects

(g) Slutsky Equation

3. Applying Consumer Theory
4. Introduction to Intertemporal Choice
5. Demand & Consumer Surplus
6. Firms and Production, & Production Costs
 - (a) Technology
 - (b) Profit Maximization
 - (c) Cost Minimization
 - (d) Cost Curves
7. The Competitive Firms, Supply & Markets