

Course Information Intermediate Microeconomics I	
Course Code	ECON 2000
Course Title	Intermediate Microeconomics I
Course Discipline	Economics
Units of Credit	Three (3)
Pre-requisite	ECON 1001, ECON 1002 and ECON 1004
Level	Level II
Semester of Offering	Semester I
Lecturer Office Address and Extension E-mail Address Office Hours	Dr. Anne-Marie Mohammed Room 204, FSS, Ext.: 82631 Anne-Marie.Mohammed@sta.uwi.edu Tuesdays/Wednesdays: 8:00-9:00 a.m.
Lecturer (Evening University) E-mail Address Office Address/Office Hours	Ms. Rebecca Gookool TBA TBA Preferred method of Contact: Office hours and email.

LETTER TO THE STUDENTS

Dear Student,

First let us welcome you to the course! It is our pleasure to be teaching this course, ECON 2000 – Intermediate Microeconomics 1. We emphasize that we are available for consultation during office hours and by appointment through email communication. Our main aim is ensure that you leave with a thorough understanding of Intermediate Microeconomic Theory and the methods of analysis. However, we must also stress that success depends on both our teaching skills and your studying skills. You **MUST** attend **ALL** lectures and at least 75% of tutorials to make maximum use of our teaching methods and you must also do **ALL** the required readings. It is a very good idea to start doing past paper questions on each topic very early so that you can get a feel for what is required of an examination-quality answer. In closing, we hope that we can all have a very successful semester.

COURSE DESCRIPTION

Intermediate Microeconomic theory furnishes the essential tools and techniques, which are used in all areas of economic analysis. This component of the course will present a rigorous analysis of the following:

Demand Theory and Consumer Behaviour
 The Theory of Production
 The Theory of Costs
 The Equilibrium of the Firm
 The Theory of Income Distribution and Factor Prices
 The Nature of Economic Models

These topics will be covered in some detail and will include inter alia indifference curves, consumer's surplus, compensated demand curves, production functions, isoquant analysis, neo-classical cost functions, homogenous functions, demand and supply elasticity, marginal revenue and value of marginal products.

These concepts are presented both graphically and mathematically. At the end of this course the student would have been equipped with a significant portion of the language of economic analysis. Students are informed that this course is very intense and covers a large body of knowledge. They are expected to complete all assignments and attend tutorial sessions, as this is essential to success in the examination. The final examination accounts for 100% of the mark, is two hours long and all questions are compulsory.

PURPOSE OF THE COURSE

The purpose of this course is to enhance the microeconomic knowledge of students and to improve their techniques of economic analysis. The course combines the use of economic theory, diagrams and mathematical concepts to ensure that students understand that all of these are necessary tools to be used when economic analysis is being conducted. Therefore, one of the aims of this course is to ensure that students can distinguish when the methods should be used independently and when they should be combined for a more comprehensive analysis.

COURSE CONTENT & SCHEDULE

1. Economic Models: An Appraisal

Week 1

- What is Micro-Economics Uses of Micro-Economics
- The basic demand/supply model (The Invisible hand and diminishing returns)
- Marginalism & Equilibrium
- Model Verification

W. Nicholson Chapter 1

A. Asimakopulos Chapter 2

2. The Theory of Consumer Behaviour

Weeks 2,3,4,5

Utility, preferences, indifference curves, marginal rates of substitution, budget constraints, homogenous demand functions, normal and inferior goods, income and substitution effects,

bandwagon, snob and veblen effects, substitutes and complements, consumers surplus (compensating and equivalent variation approaches) market demand curves, elasticity (point, arc, cross) income elasticity, marginal revenue and price elasticity, constrained optimization, lagrange functions, Nash equilibria, dominant strategies and mixed strategies.

W. Nicholson: Chapter 2, 3, 4, 5
 A. Asimakopulos: Chapter 5 (omit 5:20)
 Chapter 6 (omit 6:5,6:6,6:7,6:9,6:10,6:11)
 A. Koutsoyiannis: Chapter 2 (omit section 111)

3. The Theory of Production

Weeks 6,7

Elements and factors of production, production functions, marginal products, returns to scale, technical progress, substitution between elements of production, diminishing returns, marginal rate of technical substitution, isoquants, elasticity of substitution, Cobb Douglas functions, homogeneity, critique of neo-classical functions.

W. Nicholson: Chapter 6
 A. Asimakopulos: Chapter 7
 A. Koutsoyiannis: Chapter 3 (omit section V and VI)

4. Theory of Costs

Week 8, 9

Plant variable costs, plant fixed costs, cost and production functions, neoclassical production functions, single inputs, neo-classical cost curves, average and marginal costs, short run and long run costs, alternative cost functions.

W. Nicholson: Chapter 7
 A. Asimakopulos: Chapter 8
 A. Koutsoyiannis: Chapter 4 (omit sections IV and VI)

5. Theories of Factor Pricing

Week 10, 11

Marginal Productivity and factor pricing, marginal revenue product, value of the marginal product, the labour/leisure tradeoff, ricardian rent, interest and profit.

W. Nicholson Chapter 13 (omit appendix)
 A. Asimakopulos Chapter 15
 Chapter 16 (omit 16:5, 16:6, 16:10)
 A. Koutsoyiannis Chapter 21 (omit sections ii & iii)

GOALS/AIMS

As previously emphasized, the main aim of this course is to ensure that the student is well versed in microeconomic theory and methods of analysis of microeconomic theory. Students should also use the course as a means for improving their methods of economic analysis.

GENERAL OBJECTIVES

1. Refresh the students' memory on the link between mathematical and theoretical analysis.
2. Ensure that students know how to interpret and use diagrams to improve their explanation of specific topics.
3. Improve students' writing techniques so that they may be able to answer questions concisely but comprehensively
4. To deliver the course in a manner that is understandable by students
5. To prepare students for critical analysis of economic systems at third year and postgraduate research.

TOPIC OR UNIT OBJECTIVES

1. By the end of this course you will have a grasp of microeconomic theory and its usefulness.
2. You will also be able to use skills gained in other economics courses to assist you in microeconomic analysis
3. You will become more sensitized to the behavior of decision making within firms and households and understanding their main goals.
4. You will be able to answer questions using several types of economic analysis – diagrams, essays and mathematics

COURSE ASSESSMENT

Mid-term Examination: 20%; Final Examination 80% (Total: 100%)
Attendance at your chosen tutorial session is mandatory.

Faculty regulations allow the Course Lecturer to debar from the Final Examination students who do not attend at least 75% of tutorial classes. The Course Lecturers and tutors will be monitoring and subsequently enforcing this regulation.

The Mid-term examination will consist of either 40 MCQ questions or 4 short answer questions.

The final exam usually consists of both short-answer (5 mark) questions and essay-type questions (which usually count for 10 or 15 marks). The final examination lasts for 2 hours.

EVALUATION

There will be a section on the mylearning course site allowing students to submit their course evaluations. There is also a faculty survey conducted at the end of the course to which we pay attention since this helps us to improve the course deliverance. Please feel free to also email us your comments.

TEACHING STRATEGIES

The course will mainly be delivered through lecture-style teaching. However, students will be required to interact with the lecturer and their peers as required, when a discussion-style technique is employed.

RESOURCES

The Course relies on three texts:

- a. **Walter Nicholson and Christopher Snyder** "Theory and Application of Intermediate Micro Economics" the 11th Edition. Thompson, South-Western Publishers
- b. A. Asimakopulos 'Micro-Economics' Oxford University Press
- c. A. Koutsoyiannis 'Modern Micro-Economics 2nd Edition, Macmillian

The Nicholson and Snyder is available in the Book Store. Readings from the other two texts have now been placed online within the course site for Econ 2000. You may be required to source other readings from the Library, which may not be available online. It is imperative that you download these readings early and begin your studies.

COURSE ACTIVITIES PLANNED

1. Attendance at the Post National Budget Forum 2016, students are advised to check the Departmental Website (<http://sta.uwi.edu/fss/economics/index.asp>) after the presentation of the National Budget for 2015/16 in the Parliament.
2. Attendance at the Conference on the Economy (COTE2016) TBA students must register for attendance with the Economics Student Union (ESU) or the Department of Economics.

ADDITIONAL INFORMATION

Please also take note in your guidelines to Examinations Booklet (available online) of the following regulation:

General Examination Regulation

19. *Any candidate who has been absent from the University for a prolonged period during the teaching of a particular course for any reason other than illness or whose attendance at prescribed lectures, classes, practical classes, tutorials, or clinical instructions has been unsatisfactory or who has failed to submit essays or other exercises set by his/her teachers, may be debarred by the relevant Academic Board, on the recommendation of the relevant Faculty Board, from taking any University examinations. The procedures to be used shall be prescribed in Faculty Regulations.*

Cheating

97. (i) *Cheating shall constitute a major offence under these regulations.*
 (ii) *Cheating is any attempt to benefit one's self or another by deceit or fraud.*
 (iii) *Plagiarism is a form of cheating*
 (iv) *Plagiarism is the unauthorized and/ or unacknowledged use of another person's intellectual effort and creations howsoever recorded, including whether formally published or in manuscript or in typescript or other printed or electronically presented form and includes taking passages, ideas or structures from another work or author without proper and unequivocal attribution of such source(s), using the conventions for attributions or citing used in this University.*
103. (i) *If any candidate is suspected of cheating, or attempting to cheat, the circumstances shall be reported in writing to the Campus Registrar. The Campus Registrar shall refer the matter to the Chairman of the Campus Committee on Examinations. If the Chairman so decides, the Committee shall invite the candidate for an interview and shall conduct an investigation. If the candidate is found guilty of cheating or attempting to cheat, the Committee shall disqualify the candidate from the examination in the course concerned, and may also disqualify him/her from all examinations taken in that examination session; and may also disqualify him/her from all further examinations of the University, for any period of time, and may impose a fine not exceeding Bds\$300.00 or J\$5000.00 or TT\$900.00 or US\$150.00 (according to campus). If the candidate fails to attend and does not offer a satisfactory excuse prior to the hearing, the Committee may hear the case in the candidate's absence.*

It is our policy as your lecturers to ask you to turn your mobile phones to vibrate or silent modes during classes. It is unacceptable to use your phone in any manner during lectures or tutorials. This includes emails, text messages, blackberry messages, or any other sort of phone use.

Please note that your presence in the classroom indicates your readiness to listen and learn. There should be no talking about non-class related matters while in the classroom, no passing of notes, or any other distracting activity. Remember that the point of attending a lecture and tutorial is to learn and you should be courteous to the students around you and not engage in any activity that

will hinder their learning.

HOW TO STUDY FOR THIS COURSE

A combination of study techniques is needed to study for this course:

1. Regularly attend lectures and take detailed notes. Read ALL the required readings
2. Do tutorial questions AND attend tutorials to gain feedback on the questions answered. Be wary of relying on notes passed down since these may not be reflective of the level of understanding required.
3. Do past paper questions after the completion of each topic to get a feel for the type of responses needed
4. Speak to lecturers and tutors concerning any problems you may have in answering questions or studying for the course
5. Start studying early! This is one of the more demanding courses and you must begin early to cover all the material.

NEW GRADING SCHEME

Grade	% Range	Grade Point	Grade Descriptor
A+	90-100	4.3	Exceptional
A	80-89	4	Outstanding
A-	75-79	3.7	Excellent
B+	70-74	3.3	Very Good
B	65-69	3	Good
B-	60-64	2.7	Satisfactory
C+	55-59	2.3	Fair
C	50-54	2	Acceptable
F1	45-49	1.7	Unsatisfactory
F2	40-44	1.3	Weak
F3	0-39	0	Poor