

## ***Intermediate Price Theory***

**Class information:** Course number: ECON 3113-995, Fall 2008

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**Websites needed:** 1. <https://learn.ou.edu/> (teaching materials)  
2. <http://www.aplia.com/> (homework)

**Course Description:** Microeconomics is the study of how changes in prices and incomes affect consumers' purchasing decisions; how firms make production, investment, and pricing decisions; how these decisions affect prices and trade volumes in markets. In this course we will develop the theoretical tools needed to analyze these problems. Microeconomics analysis relies on a small set of enormously powerful analytical tools: constrained optimization analysis, equilibrium analysis, and comparative static analysis. This course attempts to help you master these tools by presenting their graphical, algebraic and logical mechanics as well as by illustrating their use in many different contexts throughout the course.

**Learning on the Internet:** This is an internet course and all learning materials will be posted in D2L (<https://learn.ou.edu/>). Most learning activities take place through the internet, which include reading the textbook, studying lecture notes, working on homework, asking and answering questions, and taking examinations. The suggested steps of study are as follows:

1. Read the "study guide of the week", which I will e-mail to you and post on D2L, and briefly go over chapters to be covered during the week.
2. Read the "guide to read the chapter" and understand the main issues of the chapter.
3. Read chapters of the textbook to be covered during the week. You need to try your best to understand the material and take notes about your questions.
4. Study my power point lecture notes. The materials in lecture notes are required to understand the content. You must understand them completely. Usually, I use examples to illustrate concepts of the chapter in my lecture notes. Most of the examples come from the homework of the week, which you are required to complete by every Sunday (instructions to follow). I will post detailed solutions to the examples in D2L. You need to study these solutions very carefully, and take notes about your questions if you don't understand some parts of the lecture notes and/or the examples.
5. Work on homework. There will be weekly homework, which is assigned on and submitted at the *aplia* website. Some of homework problems have been discussed in the lecture note as examples, and the rest of them are similar questions. Based on knowledge you have learned from the above 4 steps, you should be able to do the homework. Of course, you may have some questions on the homework and you should take notes about them.
6. Now is the time to go to Discussions in D2L, ask and answer questions (you can also post your questions in any of the above steps of study). I encourage all of you to post your questions on the Discussions and try your best to answer others' questions. Note that questions you have are usually others' questions as well. By discussing these questions together, we will learn in a much more efficient way. My teaching assistant and I will answer the questions when no satisfactory answer is provided by the class. Bonus points will be assigned for good answers.
7. You need to finish the homework and turn it in by 11:45 PM every Sunday on *aplia* website. Be aware that there may be some technical problems with your computer or with the internet. For example, you may have a hard time logging onto the website or the website may be very slow. So

you CAN NOT wait until the last minute to turn in your homework. Note that as long as the due date is not over, the apia website allows you to revise your answer. You can turn in your initial answer early in the week, and then revise your answer later on. By doing that, you can make sure to submit the answer before the due date. It is your responsibility to turn in the homework before the due date. If you miss the due date, then you miss 10 points for the week.

8. After the due date, you can check the homework answers at the website. I will also post the solutions to homework on D2L. Read the solution very carefully and completely understand mistakes made in your homework.

**Prerequisites:** Microeconomic Principles and Calculus.

**Required Textbook and Website:** *Intermediate Microeconomics*, Seventh Edition, Hal Varian 2006, W. W. Norton&Company. ISBN 0-393-92702-4. During this course, to complete homework assignments, you will be required to access a website dedicated to students and professors of economics. To access the website, you need to register for an account with Apla at <http://www.aplia.com/index.jsp>. An instruction sheet as well as a course key is attached at the end of the syllabus so that you can register. Please register on the website within 24 hours of the first day of school.

**Homework:** There will be weekly homework assignments at <http://www.aplia.com/index.jsp>. The homework will be assigned on every Monday and due by 11:45 PM on Sunday. The homework must be submitted before the Due Date. If homework is submitted late, even several seconds, you will get a zero score on this homework assignment. When computing the final grade, two or three lowest scores on homework assignments will be dropped.

**Exams On-Campus:** There will be one midterm exam and a final. The final exam will be cumulative. All exams will be closed-notes and closed-book. Any violations of academic integrity involving an exam will result in a failing grade. No makeup exams will be given. If students have a written University excuse, the missed midterm exam weight will be added to the final exam. If you live outside the Norman/OKC metro area, please contact the instructor to make examination arrangements.

**Time and Place of Exams:** Midterm Exam: October 16 (Thu), 6:30 – 8:30 PM,  
Final Exam: December 12 (Fri), 6:30 – 8:30 PM,

**Review Sessions:** Midterm Review, October 9 (Thu), 6:30 – 8:30 PM,  
Final Review, December 4 (Thu), 6:30 – 8:30 PM,

**Discussions and Bonus Points:** Every week, two or three questions posted on the class discussion board in D2L will be selected as bonus questions. For each bonus question, I will assign bonus points to the first 3 people who provide *good answers*. *Good answers* could be correct answers or partially correct answers. 3 points will be assigned to selected correct answers, and 2 points will be assigned to selected partially correct answers. Note that in order to provide *good answers* to the questions and get the bonus points, someone in the class needs to ask the question first.

**Discussion Policy: Be considerate and appropriate** when using the Discussions and the Chat room. They are extensions of your classroom. They are neither public forums nor limited public forums. Your instructor has the right to remove any message for the purposes of saving space, focusing attention of students on relevant materials, and avoiding material inappropriate for the classroom. On this last note, with **freedom comes responsibility**. Please keep in mind, as you contribute to the Discussions or Chat room, that not everyone comes from the same background, or shares the same values and ideals. Please be appropriate (professional) and considerate of others. If you have any questions on this matter, contact the instructor for clarification.

<b>Grades:</b> 10 homework assignments @ 10 points each	100
1 midterms @ 100 points each	100
final exam	150

bonus points

to be determined

If the total points is:    above 315 = A            280 – 314 = B  
   230 – 279 = C            190 – 229 = D    below 190 = F

**Course Outline:**

**Week 1 (08.25.08):** Getting Started with Aplia

**Week 2 (09.01.08):** Budget Constraint (Ch 2)

**Week 3 (09.08.08):** Preferences (Ch 3) and Utility (Ch 4)

**Week 4 (09.15.08):** Choice (Ch 5)

**Week 5 (09.22.08):** Demand (Ch 6) and Consumer Surplus (Ch 14)

**Week 6 (09.29.08):** Market Demand (Ch 15)

**Week 7 (10.06.08):** Equilibrium (Ch 16)

**Week 8 (10.13.08):** Midterm Exam on Thursday (10/16)

**Week 9 (10.20.08):** Technology (Ch 18)

**Week 10 (10.27.08):** Cost Minimization (Ch20) and Cost Curves (Ch 21)

**Week 11 (11.03.08):** Firm Supply (Ch 22) and Industry Supply (Ch 23)

**Week 12 (11.10.08):** Monopoly (Ch 24)

**Week 13 (11.17.08):** Oligopoly (Ch 27)

**Week 14 (11.24.08):** Thanksgiving Vacation

**Week 15 (12.01.08):** Game Theory (Ch 28)

**Week 16 (12.08.08):** Final Exam on Friday (12/12)

**Appendix: Instruction Sheet to Aplia**

## Student Registration and Payment Instructions

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**Course Name:** Intermediate Price Theory (Varian), Fall 2008

**Start Date:** 08/25/2008

**Instructor:** Jiandong Ju

**Course Key:** C647-VV7D-33BV

**You can begin working on your homework as soon as you register!**

- In this course, you will use a textbook and Aplia's website.

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## Registration

### If you have never used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Click the New Student link and enter your Course Key: **C647-VV7D-33BV**. Continue following the instructions to complete your registration.

### If you have used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Sign in with your usual e-mail address and password and enter your Course Key when prompted: **C647-VV7D-33BV**. If you are not prompted for a new Course Key, click the Enter Course Key button to enroll in a new Aplia course. Enter your Course Key when you are prompted.

*\* You will have different payment options after you register for your course. If you choose to pay later, you can use Aplia without paying until 11:59 PM on 09/14/2008.*

## Payment

### Aplia Access

- **From Aplia:** Purchase access to your course from Aplia's website for \$35.00 USD.