



Department of Economics Course Outline

		Term:	Fall 2006
Course:	Economics 357 [Intermediate Economic Theory ? Microeconomics II]	Section:	01
Time:	MWF 9:00-9:50	Place:	ST 139
Instructor:	C. J. Bruce		
Office:	SS 414	Telephone:	220-4093
Office Hours:	MW 14:00-15:30	E-Mail:	cjbruce@ucalgary.ca

Textbook(s):

Hal Varian, *Intermediate Microeconomics*, Seventh Edition, Norton, 2006.

Books on Reserve:

Dixit, Avinash and Susan Skeath, *Games of Strategy*, Norton, 1999 or latest edition.

Eaton, B. Curtis, Diane Eaton and Douglas Allen, *Microeconomics: Theory with Applications*, Pearson/Prentice-Hall, latest edition.

Nicholson, Walter, *Intermediate Microeconomics and its Application*, Thomson/Southwestern, latest edition.

Harford, Tim, *The Undercover Economist: Exposing Why the Rich are Rich, the Poor are Poor and Why You can Never Buy a Decent Used Car*, Oxford University Press, 2005.

Varian, Hal, *Microeconomic Analysis*, Norton, latest edition.

Rosner, Peter, *The Economics of Social Policy*, ISBN 1-84064-496-6 2003.

Richard Just, Darrell Hueth and Andrew Schmitz, *The Welfare Economics of Public Policy*, ISBN 1-84376-688-4 2004.

Schell, D.J., *What Environmental Managers Really Need to Know.*, ISBN 0-86587-661-4 1999.

Marshall, Graham. *Economics for Collaborative Environmental Management*, Earthscan Books, ISBN 1-844070-948, 2005.

Course Description:

Microeconomics is the study of how societies allocate scarce resources among competing users. In Economics 301, you were introduced to the basic building blocks of microeconomic theory: the theory of consumer behaviour, theories of cost-minimisation and profit-maximisation, and partial equilibrium models of perfect competition. In this course, we will build on these models in three ways: we will use the tools of Economics 301 to analyse markets for financial instruments; we will develop new tools to understand how perfectly competitive markets operate to encourage (Pareto) efficient allocations in general equilibrium; and we will analyse various "imperfections" such as monopoly, asymmetric information, and externalities - that might prevent markets from reaching Pareto efficient outcomes.

Course Outline:

- Financial Markets
 - Intertemporal choice/Asset markets (Chs. 10/11): September 11-15
 - Uncertainty (Ch. 12) September 18-22
 - Risky assets (Ch. 13) September 25/27
- General Equilibrium
 - Pareto efficient exchange (Ch. 31) September 29-October 11
 - Production and exchange integrated (Ch. 32) October 16-23
- Imperfect Competition
 - Monopoly (Ch. 24) October 25-30
 - Monopoly behaviour (Ch. 25) November 1-3
 - Oligopoly (Ch. 27) November 6-8
 - Game theory (Ch. 28) November 10-15
- Social Welfare (Ch. 33) November 17-20
- Market Imperfections
 - Externalities (Ch. 34) November 22-24
 - Information (Ch. 35) November 27
 - Public goods (Ch. 36) November 29-December 1
 - Asymmetric information (Ch. 37) December 4-8.

Grade Determination and Final Examination Details:

There will be one midterm examination, worth 15% of the final grade; three take-home assignments, each worth 15% of the final grade; and a final exam worth 40%. Each assignment is due at the beginning of the lecture on the due date. No late assignments will be accepted. The assignments will be due on October 6, November 17, and December 1. The midterm exam will be on October 20. The final exam will be scheduled by the Registrar and it will last 2 hours.

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	90 - 100	B	73.5 - 76.4	C-	60 - 63.4
A	83 ? 89.9	B-	70 - 73.4	D+	56.5 - 59.9
A-	80 - 82.9	C+	66.5 - 69.9	D	50 - 56.4
B+	76.5 - 79.9	C	63.5 - 66.4	F	0 - 49.9

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will be allowed during the writing of tests or final examinations.

Tests and exams will not involve multiple choice questions.

Notes:

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.
- Students should be aware of the importance of appropriate sequencing of their courses to meet all the graduation requirements, especially in the Honours program. Honours students should complete Math 249 or 251, and Math 211 no later than the second year. This is very important because these courses are prerequisites for Economics 387/389, which in turn are prerequisites for Economics 557/559. Also, Statistics 213 should be completed no later than the third year because it is a prerequisite for Economics 315, which in turn is a prerequisite for Economics 419. We suggest that you consult the Calendar, and the brochure "Undergraduate Programs in Economics." If you still need help you should speak with a Student Adviser in the Economics Department.
- Concerning the Instructor: You are asked to observe and respect my office hours. If you wish to meet me outside of these times, please make an appointment with me beforehand. You are welcome to write me via e-mail to ask questions about the course materials. I will respond as soon as I can.
- There will be no make-up or deferred examinations or assignments. Students may not write examinations early. If a student has legitimate reasons for missing an exam or assignment (e.g., documented illness, family emergency or religious observance), then the weight of the missed task is shifted to the final exam; otherwise a grade of zero is assigned.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal

academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course

Students? Union Vice-President Academic:

Shannon O?Connor

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Society of Undergraduates in Economics (S.U.E.):

www.fp.ucalgary.ca/econ

Safewalk / Campus Security: 220-5333

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CJB/mi

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