



## Department of Economics Course Outline

		<b>Term:</b> Winter 2014
<b>Course:</b>	Economics 357 [Intermediate Economic Theory – Microeconomics II]	<b>Section:</b> 01
<b>Time:</b>	TR 09:30-10:45	<b>Place:</b> ENA 03
<b>Instructor:</b>	C. J. Bruce	
<b>Office:</b>	SS 414	<b>Phone:</b> 220-4093
<b>Office hours:</b>	TR 15:30-17:00	<b>E-mail:</b> <a href="mailto:cjbruce@ucalgary.ca">cjbruce@ucalgary.ca</a>

### **Textbook:**

Besanko, D. and R. Braeutigam, *Microeconomics*, 4<sup>th</sup> edition, Wiley.

### **Books on Reserve:**

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

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

Varian, Hal, *Intermediate Microeconomics*, Norton, seventh edition.

Varian, Hal, *Microeconomic Analysis*, Norton, 1992.

### **Course Description:**

Microeconomics is the study of how societies allocate scarce resources among competing uses. 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 extend these models to the analysis of: imperfect competition – primarily monopoly and oligopoly – asymmetric information and uncertainty, and public goods and externalities. We will also investigate whether the economy will operate to encourage (Pareto) efficient allocations in general equilibrium.

**Course Outline** (Dates are approximate. Sections in brackets will only be covered if there is sufficient time.)

1. Monopoly
  - January 9 – 16 Monopoly: Ch.11, Sec. 1, 2, 5, 6, (7)
  - January 21-28 Monopoly Practices: Ch. 12, Sec. 1-5
  
2. Imperfect competition
  - January 30 – February 13 Oligopoly: Ch. 13, Sec. 1-5, (6)
  - **February 13 Assignment #1 due**
  - **February 14-23 Reading Break**
  - February 25 – March 6 Game Theory: Ch. 14, Sec. 1-3
  - March 11 Review
  - **March 13 Mid-term Exam**
  - March 18-25 Risk and Uncertainty: Ch. 15 Sec. 1, 2, 3, (4 and 5); and Ch. 4 Appendix 2
  - **March 27 Assignment #2 due**
  
3. General Equilibrium
  - March 27 – April 1 General Equilibrium: Ch. 16 (1, 2, 3), 4, (5)
  
4. Externalities and Public Goods
  - April 3 – 10 Externalities and Public Goods: Ch. 17 Sec. 1-3

### **Grade Determination and Final Examination Details:**

There will be one midterm examination worth 20% of the final grade; two take-home assignments, each worth 20% 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 final exam will be scheduled by the Registrar and it will last two 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 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

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.
- If you find it necessary to miss a midterm test, you must notify me *in advance* and produce a physician's certificate or other documentation as soon as possible. Deferred tests will not be offered. The weight attached to the missed test will be moved to the final exam.
- 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.
- 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:

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

[www.ucalgary.ca/sue](http://www.ucalgary.ca/sue)

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career partnerships with the Career Centre through hosting industry nights and information sessions, recognizing achievements in teaching, and organizing social events for members. They invite you to join by contacting [sue@ucalgary.ca](mailto:sue@ucalgary.ca).

*Faculty of Arts Program Advising and Student Information Resources*

- Have a question, but not sure where to start? The Faculty of Arts Program Information Centre (PIC) 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](mailto: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.
- For program planning and advice, contact the Student Success Centre (formerly the Undergraduate programs Office) at 403-220-5881 or visit them on the 3<sup>rd</sup> Floor of the Taylor Family Digital Library.
- 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 Library Block.
- Online writing resources are available at <http://ucalgary.ca/ssc/writing-support/online-writing-resources>

Safewalk / Campus Security: 220-5333  
Emergency Assembly Location – ICT Food Court

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2013-11-06