

**INTERMEDIATE MICROECONOMIC THEORY II**  
**ECONOMICS EC2151B -001**  
Department of Economics  
Western University

**Summer 2018**

**Instructor:** Minku Kang

**Office:** 4064 SSC

**Phone:** (519) 661-2111 ext. 85234

**E-mail:** [mkang9@uwo.ca](mailto:mkang9@uwo.ca)

**Office Hours:** Thursday 6-7PM

**Classroom meeting times & location:** SSC 2024 Tuesdays and Thursdays 7-10PM

**Course website:** <https://owl.uwo.ca/portal>

**Undergraduate inquiries:** 519-661-3507 SSC Room 4075 or [econugrd@uwo.ca](mailto:econugrd@uwo.ca)

**Registration:**

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

**Prerequisite Note:**

The prerequisite for this course is **Economics 2150 A/B**

The antirequisite for this course is **Economics 2261 A/B**

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

**Course Objectives:**

The first goal of this course is to equip the students with theories to explain market participants' strategic pricing and production decisions in monopoly, monopsony, and oligopoly. The second goal of this course is to introduce game theory, which is used prevalently in economics as well as different disciplines. Lastly, students will learn the theory of general equilibrium, risk, externalities and public goods. Upon completion, students will be well equipped with microeconomic theories to explain and analyze firms' pricing and production behaviors, decisions under risks, optimality of public policies, and interconnectedness of different markets.

**Course Learning Outcomes:**

Upon successful completion of the course, the student will be able to:

- Verbally, graphically and mathematically explain how firms make optimal pricing and production decisions in different market structures.
- Understand how social welfare changes with government's regulations over firms.
- Use game theory to model different strategic situations.
- Find Nash Equilibrium of normal-form and extensive-form games.
- Explain how risk and uncertainties affect people's behavior.
- Use the general equilibrium model to explain how different markets are connected.
- Compare different resource allocations based on efficiency
- Predict what the competitive equilibrium would be based on endowments and preferences.

**Textbooks:**

Required: David Besanko and Ronald R. Braeutigam. Microeconomics. 5<sup>th</sup> Edition, John Wiley and Sons Inc., 2011

Optional: David Besanko and Ronald R. Braeutigam, Microeconomics, Study Guide. 4<sup>th</sup> Edition, John Wiley and Sons Inc., 2011

**Grading:**

The distribution of the marks is as follows:

In-class quizzes:	15% (3 quizzes, 5% each)
Midterm:	35% (tentatively, July 6 <sup>th</sup> )
Final:	50% (TBA)

**Tentative Schedule:**

Date	Materials	
June 19	Math Review & Chapter 11	
June 21	Chapter 12	
June 26	Chapter 12	
June 28	Chapter 14	Quiz 1
July 3	Chapter 14	
July 5	Chapter 13	
July 6		Midterm Examination
July 10	Chapter 13	
July 12	Chapter 15	
July 17	Chapter 17	Quiz 2
July 19	Chapter 17	
July 24	Chapter 16	Quiz 3
July 26	Chapter 16	

## Please Note Department Policies for Summer 2018

Remember that the University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>.
2. Students must familiarize themselves with the “Rules of Conduct for Examinations” [http://www.uwo.ca/univsec/pdf/academic\\_policies/exam/administration.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf).
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as a notation on an official academic transcript, suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_20](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20)).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments in class or to the instructor during office hours.
6. When appealing a mark, students should refer to the Student Academic Appeals section in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_14](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14).  
Please note the relevant deadlines.

The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for their appeal. A checklist is provided at: [http://economics.uwo.ca/undergraduate/program\\_counselling/responsibilities\\_policies.html#appeals](http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals).

7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following add and drop deadlines:

Deadlines to add courses in the summer:

Distance Studies:	<b>Friday May 11, 2018</b>
Intersession:	<b>Tuesday May 15, 2018</b>
Summer Evening (first term):	<b>Friday May 11, 2018</b>
Summer Evening (second term):	<b>Friday June 22, 2018</b>

Deadlines to drop courses in the summer:

Distance Studies:	<b>Monday June 11, 2018</b>
Intersession:	<b>Monday June 4, 2018</b>
Summer Evening (first term):	<b>Monday June 4, 2018</b>
Summer Evening (second term):	<b>Monday July 16, 2018</b>

9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

### **Policy Regarding Makeup Tests and Final Examinations**

*Academic accommodation will **not** be granted automatically on request. Students **must** demonstrate by documentation that there are **compelling** medical or compassionate grounds before academic accommodation will be considered.*

Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or having their value reweighted on a retroactive basis, is **not** permitted. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.

Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message, copying the Undergraduate Coordinator at [econugrd@uwo.ca](mailto:econugrd@uwo.ca). **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

Students who seek a makeup exam must also provide supporting medical or other relevant documentation that their absence from a scheduled test or exam is beyond their control. Documentation should be submitted to the Academic Counselling Office of the student's *home* Faculty **as soon as possible (preferably within 24 hours of the scheduled test)**. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. If the documentation submitted is not acceptable, students will receive a zero for the missed test.

For personal illness, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit. The off-campus medical certificate form must also be used and can be found at:

[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf).

Notes stating "For Medical Reasons" are not considered sufficient.

For religious or compassionate circumstances, students should ask their Academic Counsellor what documentation to provide. If documentation is judged sufficient, the Academic Counsellor will issue a Recommendation for a Special Examination (a single form for midterms or a triple-color form for final exams). Once students have this form, they must contact their instructor as soon as possible to make arrangements. Even if approved by their Academic Counsellor, there is no guarantee that students will be allowed to write the makeup test/exam.

For final examinations, students need to seek permission from their *home* Faculty Counsellor, Instructor, and the Department Undergraduate Director. Failure to follow this procedure may result in a grade of zero. Students must ensure that the Special Examination form has been signed by the Instructor and Department Undergraduate Director and that the form is returned to the Academic Counselling Office for approval without delay. If approved, makeup examinations will be written within one month of the end of the exam period.

### **Policies Regarding Academic Accommodation**

The Faculty of Social Science's policies regarding academic accommodation is found at [http://counselling.ssc.uwo.ca/procedures/having\\_problems/index.html](http://counselling.ssc.uwo.ca/procedures/having_problems/index.html).

"Academic Rights and Responsibilities" are also outlined in the Western Calendar at <http://westerncalendar.uwo.ca/PolicyPages.cfm?PolicyCategoryID=1&command=showCategory&SelectedCalendar=Live&ArchiveID=>. Claiming that "you didn't know what to do" is not an acceptable excuse for not following the stated procedures.

### **Policy Regarding Class Attendance**

If the instructor deems a student's class attendance as unsatisfactory, that student may be prohibited from writing the final examination. If there is intent to make use of this University policy, the student will be notified in writing.

### **Statement on Mental Health and Support Services**

Students under emotional/mental distress should visit [http://uwo.ca/health/mental\\_wellbeing/](http://uwo.ca/health/mental_wellbeing/) for more information and a complete list of resources on how to obtain help.