INTERMEDIATE MICROECONOMIC THEORY II
ECONOMICS 2151B-001
Department of Economics
Western University

Kul Bhatia                                                             January 2015
Office: 4091 SSC
Class: M: 11:30 – 12:30
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or by appointment

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 your marks until your registration is
corrected. You may check your timetable by using the Login on the Student Services website at
https://studentservices.uwo.ca/secure/index.cfm. If you notice a problem, please contact your
faculty academic counsellor right away.

Prerequisite Note

The prerequisite for this course is Economics 2150A/B-001.

You are responsible for ensuring that you have successfully completed all course prerequisites,
and that you have not taken an anti-requisite course. 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 Objective

This course is the second in the microeconomic theory sequence, and it covers market power and
price discrimination, imperfectly competitive markets and strategic behaviour, and general
equilibrium theory and economic efficiency. The course combines theory and applications to
enhance and deepen the students' knowledge of microeconomic theory and its usefulness in the
real world of business and industry. Intuitive explanations, graphs and real-life examples will be
used in class presentations, and problems will be assigned from time to time for learning-by-doing
exercises from the textbook as well as the study guide.
Learning Outcomes

a. Students will be able to identify and explain economic concepts and theories related to the behaviour of economic agents, markets, industry and firm structures.

b. By combining theoretical knowledge with quantitative and qualitative evidence, students will be able to explain some recent economic events and also analyze other scenarios.

c. Students will be able to evaluate the welfare implications of several economic activities and government policies in these areas.

Evaluation:

Your grade will depend on a mid-term and a final exam. The mid-term exam will account for 40 percent and the final for 60 percent of your term mark.

Mid-term exam: Friday, March 6, 2015, class time, EC 2168.

Final exam: To be scheduled by the Registrar

Both exams will consist of multiple choice questions and cover everything discussed since the start of the semester. The final exam, in other words, will be cumulative. Questions will be based on the text book and other material presented in class.

Helpful Hints:

1. The classes will focus on the main themes and the more challenging parts of each chapter. Please browse through the assigned readings before each class.

2. Students are expected to attend lectures regularly. Good note-taking skills will be important for success in the class. The lectures will be in `chalk and talk’ format, and lecture notes or class summaries will not be posted anywhere.

3. It is your responsibility to keep yourself informed about the course: deadlines, assignments, readings and the dates for all exams. All of this information can be found on the course website. For other matters, you are welcome to communicate with me via email or stop by during my office hours (no appointments necessary).

Texts


Missed exam

You must notify me of your absence from a scheduled exam within 48 hours of the exam. Only with approved documentation (medical, death/illness of a family member) will you be allowed to write a makeup exam. Documentation must be submitted to your Faculty’s Academic Counselling Office; the Academic counsellor will inform me if accommodation is to be granted. If you miss an exam for medical reasons, you must fill out the Student Medical Certificate form and return it to your Faculty’s Academic Counseling Office. The Student Medical Certificate form can be found here: https://studentservices.uwo.ca/secure/medical_document.pdf

Course outline

1. Monopoly, Chapter 11
2. Capturing Surplus, Chapter 12
3. Market Structure and Competition, Chapter 13
4. Game Theory and Strategic Behaviour, Chapter 14
5. General Equilibrium Theory, Chapter 16 (time permitting)
Please Note
Department Policies for 2014 – 2015

Remember that the University expects all students to take responsibility for their own academic Programs. Also remember to check your registration to make sure you 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](http://westerncalendar.uwo.ca).


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 your official academic transcript, suspension or expulsion.

4. **Plagiarism:** Students must write their essays and assignments in their own words. Whenever students take an idea or a passage from another author, they must acknowledge it by using quotation marks where appropriate and referencing with footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the current UWO Academic Calendar at [http://westerncalendar.uwo.ca/2014/pg113.html](http://westerncalendar.uwo.ca/2014/pg113.html)).

The University of Western Ontario uses software to check for plagiarism and students may be required to submit their written work in electronic form. Those found guilty will have penalties imposed as noted in point 3.

5. It is Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students are responsible for submitting assignments in class or to the instructor during office hours.

6. When appealing a mark, students should refer to the University’s Procedures in the current UWO Academic Calendar ([http://westerncalendar.uwo.ca/2014/pg112.html](http://westerncalendar.uwo.ca/2014/pg112.html)). Please note the relevant deadlines.

The Department will not consider any appeal unless an attempt has been made to settle the matter first with your instructor. If after this discussion you remain dissatisfied with a grade or other decision, you may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for your appeal. A useful form and 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:

   Last day to **add** a Second term half course:  
   **Tuesday, January 13th, 2015**

   Last day to **drop** second term half course without academic penalty:  
   **Monday, March 9th, 2015**

9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is not an excuse for a make-up. This rule applies to all mid-term tests and final exams in the Department of Economics.

   **Policy Regarding Makeup Tests and Final Examinations**

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

   If you decide to write a test or an examination, you must be prepared to accept the mark you earn. Rewriting tests or examinations, or having the value of the test or examination reweighted on a retroactive basis, is not permitted. Book airline flights after you know the dates of your final examinations. Airline flights must not conflict with test or final exams.

   If you are requesting a makeup test for a midterm or a final examination, unless medically incapable, notify your instructor by email or phone, preferably prior to the scheduled date of the test, but definitely within 24 hours of the date of the test or exam. Failure to follow this procedure may result in denial of a request for academic accommodation or result in a grade of zero. Set up an appointment as soon as possible to meet personally with your instructor. If the instructor is not available, you may send an email message, copying the Undergraduate Coordinator at econugrd@uwo.ca (Social Science Room 4075). Notifying your instructor of a missed test or exam does not automatically entitle you to a makeup test.

   Students who seek a makeup test or examination must provide medical or other relevant verification that their absence from a regularly scheduled test or examination is beyond their control. Documentation must support your reasons. Medical documentation should be given to the Academic Counselling Office of your home Faculty as soon as possible (preferably within 24 hours of the test) if you know you may not be able to write your final examination on the scheduled day and time. Failure to follow this procedure, or to provide supporting documentation, may result in denial of a request for academic accommodation or result in a grade of zero. If your documentation is not acceptable, you will be given a zero for the missed test.
For personal illness, if you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used and can be found at: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf. Notes stating "For Medical Reasons" are not considered sufficient.

For any other circumstances, if you are not sure what documentation to provide, ask your Academic Counselor. If your documentation is judged sufficient, the academic counselor will issue a Recommendation for a Special Examination (a single form for midterms or a triple color form for final examinations). Once you have this form, contact your instructor as soon as possible to make arrangements. Even if approved from your home faculty Academic Counsellor, there is no guarantee that you will be allowed to write the makeup test and exam.

For final examinations, you need permission from your home Faculty Counsellor, your instructor, and the Department Undergraduate Director. Failure to follow this procedure may result in an examination grade of zero. You 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 Counseling Office for approval without delay. Make-up final examinations, if permitted, will be written within one month of the end of the exam period.

**Policies Regarding Academic Accommodation**

Information about the Faculty of Social Science’s policies regarding academic accommodation is found on its website at http://counselling.ssc.uwo.ca/procedures/havingproblems.asp or in Social Science Room 2105. Your “Academic Rights and Responsibilities” are also outlined in the current UWO Calendar at http://westerncalendar.uwo.ca/2014/pg111.html. 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 your instructor views your class attendance as unsatisfactory, you can be prohibited from writing the final examination. If there is intent to make use of this University policy, you will be notified in writing.

**Statement on Mental Health and Support Services**

If you or someone you know is experiencing emotional/mental distress, there are several resources here at Western to assist you. Please visit http://www.uwo.ca/uwocom/mentalhealth/ for more information and a complete list of resources, as well as how to obtain help.