# Department of Economics
## Course Outline

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|  |  | **Term:** | Fall 2008 |
| **Course:** | Economics 357 [Microeconomics] | **Section:** | 01 |
| **Time:** | MWF 13:00 – 13:50 | **Place:** | ST 139 (subject to change) |
| **Instructor:** | Dr. Lasheng Yuan |  |  |
| **Office:** | SS 416 | **Telephone:** | 220-5863 |
| **Office Hours:** | MW 11:00-12:00 | **E-mail:** | yuan@ucalgary.ca |

**Textbook(s):** Eaton, Eaton & Allen *Microeconomics*, Prentice Hall, 6th edition.  **[Required]**

**Book(s) on Reserve:**

- Brown, M. & S.-H. Chiang *Coalitions in Oligopolies*, Amsterdam: Elsevier, 2003.
- Friedman, D. *Hidden Order:  The Economics of Everyday Life*, New York:  Harper Business, 1996.
- Katz, M. & H. Rosen *Microeconomics*, San Francisco: Irwin, 1998, 3$^{rd}$ ed., Burr Ridge, IL.
- Landsburg, S. *The Armchair Economist*, Toronto: Maxwell Macmillan, 1993.
- Lomborg, B. (ed.) *Global Crises, Global Solutions,* Cambridge, Cambridge University Press, 2004.
- Roberts, J. *The Modern Firm*, Oxford:  Oxford University Press, 2004.
- Shleifer, A. & R. Visny *The Grabbing Hand*, Cambridge, Mass: HUP, 2002.
- Eaton, Eaton & Allen *Microeconomics*, Prentice Hall, latest edition.
- Victor, D. *The Collapse of the Kyoto Protocol & the Struggle to Slow Global Warming*, Princeton:  Princeton University Press, 2004.

**Course Outline:**

This course extends and builds upon the tools and concepts developed in Economics 301 to investigate topics such as the connections between markets (general equilibrium), the implications of market power and market failure and decision-making under uncertainty.

One goal of this course is to have you begin to think and work like an economist. Accordingly, you will be expected to use basic mathematics and graphical analysis, and the calculus developed in Mathematics 249 or 251, which is a prerequisite for this course. In particular, you will be expected to be familiar with the meaning of mathematical functions, understanding and using simple linear equations, solving two linear equations for two unknowns, and using basic techniques of univariate calculus. You may need to review this material.

Topics
   1.  General Equilibrium
    (a)  Efficiency and Exchange Economy
    (b)  Competitive Equilibrium
    (c)  General Equilibrium with Production
    (d)  Sources of Inefficiency

   2.  Monopoly
   (a)  Profit Maximization
   (b)  Inefficiency of Monopoly
   (c)  Regulation
   (d)  Patent Policy

   3.  Imperfect Competition
   (a)  Price Discrimination
   (b)  Introduction to Game Theory
   (c)  Oligopoly

   4.  Uncertainty and Asymmetric Information
   (a)  Expected Utility
   (b)  Externality and Coase Theorem
   (c)  Adverse Selection
   (d)  Signaling
   (e)  Moral Hazard

**Grade Determination and Final Examination Details:**

Grades will be determined as follows:

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| Assignments | 30% |
| Midterm Exam | 30% |
| Final Examination | 40% |

Students must receive a passing grade on the final exam to pass the course. As per the Writing across the Curriculum Statement in the Calendar, writing and grading thereof will be a factor in the evaluation of student work.

Non-programmable calculators are permitted for all exams. There will be a Registrar scheduled final examination which will be two hours in duration. It will be held in a classroom. The final examination will be comprehensive. The exact date for the in-class midterm will be announced at least one week in advance. In cases of documented illness or family emergency, extra weight will be given to the final examination.

Students will be given at least one week to complete each assignment. Late assignments will never be accepted. In cases of documented illness or family emergency, extra weight will be given to the final examination. Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during his office hours.

The official grading system will be used. A letter grade will be awarded based on the numeric average of the four assignments.

Tests and exams will not involve multiple choice questions.

**Notes:**

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 Econ. 387/389, which in turn are prerequisites for Econ. 557/559. Also, Stat. 213 should be completed no later than the third year because it is a prerequisite for Econ. 315, which in turn is a prerequisite for Econ. 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 Advisor in the Economics Department.

Contacting 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.

Students seeking reappraisal of a piece of graded term work should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.

Make-up or deferred examinations *will not* be given. Any student who finds it necessary to miss an examination or assignment must notify the instructor in advance and produce a valid medical certificate or other required documentation in order to have the weighting transferred to another piece of work. Also, an examination will not be given *before* its scheduled date.

CAUTION: Lectures and readings from the text are complements, not substitutes, and students are responsible for material presented in both lectures and readings. Students are also responsible for dates for submitting assignments that are discussed in class. Regular class attendance is strongly advised.

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.

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<div align="center">Safewalk / Campus Security: 220-5333</div>