

Huron University College
Department of Business and Economics
Economics 2261B– Intermediate Microeconomics II
Winter 2018
Classroom: W112
Time: Tuesdays 9:30-10:30
Thursdays 9:30-11:30

Instructor: Dr. Mahdiyeh Entezarkheir

Office: v122

E-Mail: (Attention: Please send email only to this address) menteza@huron.uwo.ca

I will respond to emails within 24 hours on business days.

Phone: 519-438-7224 ext. 217

Instructor's Office Hours: Thursdays 11:30-12:30

If this is not conducive to your schedule, please feel free to email me so that we can set up an appointment.

Course Webpage:

<https://owl.uwo.ca/portal>

Please check announcements of the course in the above address regularly.

Course Description & Objectives

This course provides an introduction to investment strategies and financial markets with an emphasis on the Canadian Financial System. The objective of this course is familiarizing students with theories of monopoly markets, general equilibrium and welfare economics, game theory, public goods and externalities. I will cover these theories as much as time allows me.

• ***Important Reminder***

Econ 2261B, as it is obvious from its title, is a **theory course**. Therefore, please do not expect from this course to provide a large list of applications and examples of these theories to the real world. The time is limited, and there is a large amount of material to cover. You need to learn economic theories in Econ 2261B to use them later in your Econ field courses. However, I will attempt my best to include real world applications of these theories in the lectures as much as time permits.

Course Method

We begin the term with some review on the required parts of Intermediate Microeconomics II, which are needed for this course. We proceed with theories of monopoly markets, general equilibrium and welfare economics, game theory, public goods and externalities.

Prerequisites

Prerequisite(s): Economics 2260A/B; 0.5 from Mathematics 1225A/B, Mathematics 1230A/B, Calculus 1000A/B and 0.5 from Mathematics 1229A/B, Mathematics 1600A/B, Calculus 1301A/B or Calculus 1501A/B.

Students are responsible for checking that they have successfully completed all course prerequisites. Unless, they have either the requisites for this course or written special permission from Dean to enroll in it, they may be removed from this course and it will be deleted from their record. This decision may not be appealed. They will receive no adjustment to their fees in the event that they are dropped from a course for failing to have the necessary prerequisites.

Completion

Students will be assessed based on the following activities:

- Midterm 1 [**Feb 15**, during class]: 30%
- Group or individual Assignment [Due on **March 29**]: 25%
- Final examination: 45%
- Pop-Quiz, bonus mark (in addition to 100%)
- Research Participation (2% bonus mark in addition to 100%) [Date:TBA]

Midterm Exam

- Subject coverage for midterm exam will be specified in class.
- All the material covered during lectures, including what is on slides and board as well as what is explained by the instructor in words, will be questioned in your exam.
- Midterm exams are during class time.
- If a student feels that his/her test was not marked properly, he/she should feel free to contact the instructor within 6 calendar days of the date on which the test is handed back to the class.
- Policy on Missed Tests: **No make-up tests will be provided.** For Academic Accommodation for Medical/Non-Medical Grounds please refer to the following. In case a proper documentation is not provided in a timely manner, the student receives no grade on the test and his/her final grade will be computed in accordance with the specified assessment above. If a proper documentation is provided, the grade of the missed test will be prorated to other tasks of the course, which will be decided by the instructor.

Groups for assignment

- In case assignments are group works:
- I will group students in alphabetical orders and post groups on Owl.
 - If a student would like to change his or her group and join another group, that student needs to get into an agreement with a student in the other group. Then, both students should speak with me about their group change. Instructor will not do the negotiations.
 - Any group change must be done by Friday January 19. Changes after this date are not allowed.**
 - Assignments are due right in the beginning of the class on the due date. Once I start solving the assignment, I will not accept any assignment. Late assignments will receive mark of zero.

Policy on shirking students

- If a student in a group does not participate, it is the duty of the rest of the group to inform the instructor. How?
 - A student who feels a groupmate is shirking should send an email to that student, cc me (menteza@huron.uwo.ca) in that email, and explain the problem to that student at least a week before the due date of the assignment.

- I will also contact that student and if I am convinced that the suggested student is indeed shirking, I will give the shirking student zero on that assignment.
- I do not accept any complaint from groupmates after the assignment is submitted.

Final exam

- To be scheduled by the registrar
- Will cover all course material for the term.
- The Registrar's Office will send a final grade to each student.

Research Participation (subject to Research Ethics Board approval) (2% bonus)

Students will be offered an opportunity to participate in a research experiment in exchange of 2% bonus mark. This research participation is intended to provide students with firsthand knowledge of how scientific research is conducted.

To participate in the research study, you will receive an e-mail notification with instructions on how to sign up. You will need to sign up online as directed by the e-mail notification. The Study may take up to 60 minute to complete. Alternatively, you may complete research essays to fulfill the research participation bonus mark. More details to follow.

Please note that spots fill up quickly; therefore, when you receive the e-mail notification of the study, it is important to sign up promptly if you are interested in participating. All students will have opportunity to fulfill the research participation requirement.

If you choose not to participate in the research participation, you can obtain this bonus mark by writing a two pages (double-spaced) review essay on news articles related to the course content. Suggestion for the source of news article are Harvard Business Review and New York Times. If you choose this option, the two pages essay must be completed and submitted by 4 p.m. on April 01, 2018, via email to the research assistant (Contact information will be announced later). Review essays will not be accepted after April 01, 2018, under any circumstances. The details for the review essay are flexible and at your discretion, since each article chosen by a student may be substantially different and, therefore, benefit from a different and more tailored essay topic. It is up to you to determine the topic based on the article you choose.

Policy on Missed Classes

If you miss a class, read notes carefully and if you still have questions come and see me otherwise you will need to use a tutor.

Textbook

(Required) Microeconomics: Theory and Applications with Calculus Plus NEW MyEconLab with Pearson eText—Access Card Package, 3/E, Jeffrey Perloff, ISBN-10: 0133423859.

- Students have to read the chapters of the textbook before attending each lecture.
- The textbook is available from the Bookstore at Western.
- Only the parts that are covered in lectures are considered for exams.

Sources for Practice Questions

- Examples solved during lectures: I will solve practice questions during lectures as much as time permits.
- Sets of practice questions with their solutions posted on owl.
- Solved problems in each chapter of the textbook (Step-by-step solutions are provided by the textbook)
- The end-of-chapter exercises in the textbook (answers to the selected questions are provided at the end of the textbook).
- MyEconLab which is bundled by your textbook: It includes comprehensive homework, quiz, test, and tutorial options. The course ID for MyEconLab will be posted on Owl.

*Tentative Course Schedule****

Review on previous material (Chs. 6-9 Perloff)
General equilibrium and Economic welfare (Ch.10 Perloff)
Monopoly, pricing, and advertising (Ch.11 and 12 Perloff)
Oligopoly and monopolistic competition (Ch.13 Perloff)
Game theory (Ch.14 Perloff)
Factor market (Ch.15 Perloff)
Uncertainty (Ch.16 Perloff)
Public goods and externality (Ch.17 Perloff)
Assymmetric information and moral hazard (Ch.18 and 19 Perloff)

***** This course schedule is tentative. Some of the materials in this schedule might need more or less emphasis. To accommodate that need, this schedule might be updated as we continue through the term.**

Lecture Notes:

- I will post lecture slides (if any) before class on **the course webpage for your convenience.**
- **These are the lecture notes that I base my lectures on, but of course I elaborate on them in the class. These notes are useful for review, but they are not meant to take the place of lectures. Students who rely on notes only, they traditionally do not do well on their exams in my courses.**
- Additionally, I solve practice questions during lectures. To get solutions, students need to be present in the lectures. I do not provide answer key to those questions separately. Answers will be written by the instructor on the board only.
- **Students who are present during lectures and get the written answer on the board for practice questions are more than welcome to ask questions during office hours with regards to those solutions. However, if a student was absent, I do not solve the question for the absent student separately during office hours. Thus, absent students should not expect such a service from the instructor.**
- All the materials covered in lectures either on the posted slides or not are in exams.

Communication with the Instructor:

- Please only e-mail the instructor for administrative purposes and please only email to this address: menteza@huron.uwo.ca
- When emailing the instructor, the **subject of the e-mail must contain Eco 2261B**. Otherwise, the email will not be considered as I do not know exactly who the sender is.
- I will respond to emails within 24 hours during business hours.
- I prefer to answer your course related questions in person to help you understand better and avoid any miscommunication via email or phone. So use office hours. I also welcome as many questions as possible during class time.

Note on Recording Lectures and Taking pictures

- Instructor prohibits recording her lectures or taking any picture during lectures.

Conduct of Students in Lectures and Office Hours:

The registration at Huron University College implies that registered students have accepted the principals of respect, dignity, and well-being of others. Thus, students are expected to follow a proper behaviour. For more information about rules and regulations of Code of Student Conducts, you may consult with *Code of Student Conduct Policy* available at <https://www.uwo.ca/univsec/pdf/board/code.pdf>.

Moreover, students should behave in a professional manner that supports the learning environment of others during lectures or office hours. Laptops should be used for classroom purposes only so as not to disrupt the people sitting around. Students should arrive in sufficient time to be seated and ready for the start of the class and remain silent while the professor or another student is speaking. If a student is going to be late, or know that will have to leave class early, he or she should be courteous: sit in an aisle seat and enter and leave quietly.



Appendix to Course Outlines

Prerequisite Information

Students are responsible for ensuring that they have successfully completed all course prerequisites. Unless you have either the requisites for this course or written special permission from your Provost and Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

Conduct of Students in Classes, Lectures, and Seminars

Membership in the community of Huron University College and the University of Western Ontario implies acceptance by every student of the principle of respect for the rights, responsibilities, dignity and well-being of others and a readiness to support an environment conducive to the intellectual and personal growth of all who study, work and live within it. Upon registration, students assume the responsibilities that such registration entails. The academic and social privileges granted to each student are conditional upon the fulfillment of these responsibilities.

In the classroom, students are expected to behave in a manner that supports the learning environment of others. Students can avoid any unnecessary disruption of the class by arriving in sufficient time to be seated and ready for the start of the class, by remaining silent while the professor is speaking or another student has the floor, and by taking care of personal needs prior to the start of class. If a student is late, or knows that he/she will have to leave class early, be courteous: sit in an aisle seat and enter and leave quietly.

Please see the *Code of Student Rights and Responsibilities* at:

<http://www.huronuc.ca/CurrentStudents/StudentLifeandSupportServices/StudentDiscipline>

Technology

It is not appropriate to use technology (such as, but not limited to, laptops, cell phones) in the classroom for non-classroom activities. Such activity is disruptive and is distracting to other students and to the instructor, and can inhibit learning. Students are expected to respect the classroom environment and to refrain from inappropriate use of technology and other electronic devices in class.

Academic Accommodation for Medical/Non-Medical Grounds

Students who require special accommodation for tests and/or other course components must make the appropriate arrangements with the Student Development Centre (SDC). Further details concerning policies and procedures may be found at:

http://www.sdc.uwo.ca/ssd/?requesting_acc

(a) Medical Grounds for assignments worth 10% or more of final grade: Go Directly to Academic Advising

University Senate policy, which can be found at

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/accommodation_medical.pdf,

requires that all student requests for accommodation on medical grounds for assignments worth 10% or more of the final grade be made directly to the academic advising office of the home faculty (for Huron students, the “home faculty” is Huron), with supporting documentation in the form (minimally) of the Senate-approved Student Medical Certificate found at:

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform_15JUN.pdf.

The documentation is submitted in confidence and will not be shown to instructors. The advisors will contact the instructor when the medical documentation is received, and will outline the severity and duration of the medical challenge as expressed on the Student Medical Certificate and in any other supporting documentation. The student will be informed that the instructor has been notified of the presence of medical documentation, and will be instructed to work as quickly as possible with the instructor on an agreement for accommodation. The instructor will not normally deny accommodation where appropriate medical documentation is in place and where the duration it describes aligns with the due date(s) of assignment(s). Before denying a request for accommodation on medical grounds, the instructor will consult with the Provost and Dean. The instructor’s decision is appealable to the Provost and Dean.

(b) Accommodation on Medical Grounds for assignments worth less than 10% of final grade: Consult Instructor Directly

When seeking accommodation on medical grounds for assignments worth less than 10% of the final course grade, the student should contact the instructor directly. The student need only share broad outlines of the medical situation. The instructor **may** require the student to submit documentation to the academic

advisors, in which case she or he will advise the student and inform the academic advisors to expect documentation. The instructor may not collect medical documentation. The advisors will contact the instructor when the medical documentation is received, and will outline the severity and duration of the medical challenge as expressed on the Student Medical Certificate and in any other supporting documentation. The student will be informed that the instructor has been notified of the presence of medical documentation, and will be instructed to work as quickly as possible with the instructor on an agreement for accommodation. The instructor will not normally deny accommodation where appropriate medical documentation is in place and where the duration it describes aligns with the due date(s) of assignment(s). Before denying a request for accommodation on medical grounds, the instructor will consult with the Provost and Dean. The instructor's decision is appealable to the Provost and Dean.

(c) Non-medical Grounds: Consult Instructor Directly

Where the grounds for seeking accommodation are not medical, the student should contact the instructor directly. Late penalties may apply at the discretion of the instructor. Apart from the exception noted below, academic advisors will not be involved in the process of accommodation for non-medical reasons.

Where a student seeks accommodation on non-medical grounds where confidentiality is a concern, the student should approach an academic advisor with any documentation available. The advisors will contact the instructor after the student's request is received, and will outline the severity and duration of the challenge without breaching confidence. The student will be informed that the instructor has been notified that significant circumstances are affecting or have affected the student's ability to complete work, and the student will be instructed to work as quickly as possible with the instructor on an agreement for accommodation. Before denying a request for accommodation where documentation has been submitted to an academic advisor, the instructor will consult with the Provost and Dean. The instructor's decision is appealable to the Provost and Dean.

Statement on Academic Offences

Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

Statement on Academic Integrity

The International Centre for Academic Integrity defines academic integrity as "a commitment, even in the face of adversity, to five fundamental values: honesty, trust, fairness, respect, and responsibility. From these values flow principles of behaviour that enable academic communities to translate ideals to action." (CAI Fundamental Values Project, 1999).

A lack of academic integrity is indicated by such behaviours as the following:

- Cheating on tests;
- Fraudulent submissions online;
- Plagiarism in papers submitted (including failure to cite and piecing together unattributed sources);
- Unauthorized resubmission of course work to a different course;
- Helping someone else cheat;
- Unauthorized collaboration;
- Fabrication of results or sources;
- Purchasing work and representing it as one's own.

Academic Integrity: Importance and Impact

Being at university means engaging with a variety of communities in the pursuit and sharing of knowledge and understanding in ways that are clear, respectful, efficient, and productive. University

communities have established norms of academic integrity to ensure responsible, honest, and ethical behavior in the academic work of the university, which is best done when sources of ideas are properly and fully acknowledged and when responsibility for ideas is fully and accurately represented.

In the academic sphere, unacknowledged use of another's work or ideas is not only an offence against the community of scholars and an obstacle to academic productivity. It may also be understood as fraud and may constitute an infringement of legal copyright.

A university is a place for fulfilling one's potential and challenging oneself, and this means rising to challenges rather than finding ways around them. The achievements in an individual's university studies can only be fairly evaluated quantitatively through true and honest representation of the actual learning done by the student. Equity in assessment for all students is ensured through fair representation of the efforts by each.

Acting with integrity at university constitutes a good set of practices for maintaining integrity in later life. Offences against academic integrity are therefore taken very seriously as part of the university's work in preparing students to serve, lead, and innovate in the world at large.

A university degree is a significant investment of an individual's, and the public's, time, energies, and resources in the future, and habits of academic integrity protect that investment by preserving the university's reputation and ensuring public confidence in higher education.

Students found guilty of plagiarism will suffer consequences ranging from a grade reduction to failure in the course to expulsion from the university. In addition, a formal letter documenting the offence will be filed in the Provost and Dean's Office, and this record of the offence will be retained in the Provost and Dean's Office for the duration of the student's academic career at Huron University College.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

Personal Response Systems ("clickers") may be used in some classes. If clickers are to be used in a class, it is the responsibility of the student to ensure that the device is activated and functional. Students must see their instructor if they have any concerns about whether the clicker is malfunctioning. Students must use only their own clicker. If clicker records are used to compute a portion of the course grade:

- the use of somebody else's clicker in class constitutes a scholastic offence,
- the possession of a clicker belonging to another student will be interpreted as an attempt to commit a scholastic offence.

Policy on Special Needs

Students who require special accommodation for tests and/or other course components must make the appropriate arrangements with the Student Development Centre (SDC). Further details concerning policies and procedures may be found at:

http://www.sdc.uwo.ca/ssd/?requesting_acc

Attendance Regulations for Examinations

A student is entitled to be examined in courses in which registration is maintained, subject to the following limitations:

- 1) A student may be debarred from writing the final examination for failure to maintain satisfactory academic standing throughout the year.
- 2) Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course will be reported to the Provost and Dean of the Faculty offering the course (after due warning has been given). On the recommendation of the Department concerned, and with the permission of the Provost and Dean of that Faculty, the student will be debarred from taking the regular examination in the course. The Provost and Dean of the Faculty offering the course will communicate that decision to the Provost and Dean of the Faculty of registration.

Class Cancellations

In the event of a cancellation of class, every effort will be made to post that information on the Huron website, <http://www.huronuc.ca/AccessibilityInfo> (“Class Cancellations”).

Mental Health @ Western

Students who are in emotional/mental distress should refer to Mental Health @ Western <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

Academic Advising

For advice on course selections, degree requirements, and for assistance with requests for medical accommodation [see above], students should contact an Academic Advisor in Huron’s Student Support Services (huronsss@uwo.ca). An outline of the range of services offered is found on the Huron website at: <http://www.huronuc.ca/CurrentStudents/AcademicAdvisorsandServices>

Department Chairs and Program Directors and Coordinators are also able to answer questions about their individual programs. Their contact information can be found on the Huron website at:

<http://www.huronuc.ca/Academics/FacultyofArtsandSocialScience>