York University
Faculty of Liberal Arts & Professional Studies
Department of Economics

Course: AP/ECON 2350 3.0 P: Intermediate Microeconomic Theory II

Course Webpage: https://eclass.yorku.ca/course/view.php?id=83167

Term: Winter 2024

Course Instructor

Bernard Lebrun

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Office: Vari Hall 1074

In-person office hours: Monday from 3:00 to 4:00 p.m. at VH 1074

Zoom office hours: Friday from 3:00 to 4:00 p.m. at
https://yorku.zoom.us/j/95265233149 Students should Email their questions at least one
day in advance and book a time slot on the scheduler on the course eClass site.

Time and Location

Monday from 11:30 a.m. to 2:30 p.m. in R S201.

Course Description

This course is the second part of a two-course study of microeconomic theory at the
intermediate level. It will first cover the welfare properties of the general equilibrium of
the perfectly competitive model and the possible market failures due to externalities and
asymmetric information. It will then go on to models of imperfectly competitive markets,
such as models of monopoly and oligopoly. Building such models will use some
essential tools from game theory.

Tentative list of topics:

1. General Equilibrium
   - Exchange: Chapter 32 (in the textbook)
   - Production: Chapter 33
   - Welfare: Chapter 34
2. Imperfect Competition
   - Monopoly: Chapter 25
   - Monopoly Behaviour: Chapter 26

- Factor Markets: Chapter 27
- Oligopoly: Chapter 28
- Game Theory: Chapter 29
- Game Applications: Chapter 30
3. Uncertainty and Asymmetric Information
   - Uncertainty: Chapter 12
   - Asymmetric Information: Chapter 38
4. Market Imperfections
   - Externalities: Chapter 35

Course Text / Readings

1. The course will closely follow the textbook *Intermediate Microeconomics with Calculus* by Hal R. Varian, 1st Edition, W.W. Norton & Company, 2014. Most instructors of ECON 2300 and ECON 2350 use this book. I have placed a copy of it at the Scott Library reserve.
   Being very similar, the textbook *Intermediate Microeconomics: A Modern Approach* by the same author Hal R. Varian is a good substitute.

   The students do **NOT** need any additional books. For example, Varian's ancillary book *Workouts in Intermediate Microeconomics* is **NOT** required for this course.

2. I will post on the eClass site the list of the book's chapters, sections, and exercises relevant to the course.
3. I will also post supplementary exercises.

Evaluation

Assessment	Date	Value (% of final grade)
Midterm examination	February 26, 2024	34% if the mark is above the mark on the final exam; 0% otherwise.
Final examination	The University will announce the date, which will be between April 10 and April 26, 2024.	66% if the mark is below the mark on the midterm exam; 100% otherwise.

There will be two examinations: one midterm and one final. A student's mark on the final will also be the student's total mark for the course if it is higher than the mark on the midterm or if, for any reason, the student does not write the midterm. Otherwise, the mark on the midterm will count for 34% of the total mark, and the mark on the final will count for 66%.

The midterm will occur between 11:30 a.m. and 1:30 p.m. on Monday, February 26. It will cover everything we will have seen in class up to that date, including the material

seen on Monday, February 12. The final will take place during the examination period from April 10 to April 26. The University will announce its precise date and time. It will cover all the material seen during the term.

The examinations will consist of short essay questions. No question will be purely theoretical. Instead, all questions will require applying the theory to exercises similar to those posted online during the term. Solving such exercises may require some elementary calculus (mostly differentiation of simple functions).

Grading

The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York (e.g., A+ = 9, A = 8, B+ - 7, C+ = 5, etc.). Assignments and tests* will bear either a letter grade designation or a corresponding number grade (e.g., A+ = 90 to 100, A = 80 to 90, B+ = 75 to 79, etc.)
(For a complete description of York grading system, see the York University Undergraduate Calendar - http://calendars.registrar.yorku.ca/pdfs/ug2004cal/calug04_5_acadinfo.pdf)

IMPORTANT COURSE INFORMATION FOR STUDENTS

All students are expected to familiarize themselves with the following information, available on the Senate Committee on Curriculum & Academic Standards webpage (see Reports, Initiatives, Documents) - http://secretariat.info.yorku.ca/senate/

- York's Academic Honesty Policy and Procedures/Academic Integrity Website
- Ethics Review Process for research involving human participants
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning, and psychiatric disabilities
- Student Conduct Standards
- Religious Observance Accommodation