

**University of Manitoba
Faculty of Arts
Department of Economics**

COURSE DETAILS

Course Title and Number: Microeconomic Theory I, ECON 3010 A01 (CRN 53004)

Number of Credit Hours: 3

Class Times and Days of Week: 9:30 a.m.-10:20 a.m., Monday, Wednesday and Friday

Location for classes: 303 Tier

Prerequisite: a grade of C+ or better in [ECON 2010](#) [or [ECON 2451](#) or the former ECON 2450 or the former ECON 2700] and a grade of "C" or better in [MATH 1230](#) or [MATH 1500](#) or [MATH 1501](#) or [MATH 1520](#).

INSTRUCTOR CONTACT INFORMATION

Instructor Name: Dr. I. Lipnowski

Office Location: 503 Fletcher Argue Building

Office Hours: Monday and Wednesday, 12 noon to 1 p.m. or by appointment.

Instructor's Phone Number: 204-4749192

Instructor's E-mail: Irwin.Lipnowski@umanitoba.ca

E-mails will be answered within 2 working days.

Contact: If you wish to contact me outside of class time or my office hours, please email me.

E-mail Communication: Since approximately 200 students have registered in the courses I teach in the 2019 Winter Term, if you send an email, **include your name, student number, the course number and lecture time of the course.**

Teaching Assistant: The TA's name, office hours and location will be announced.

Textbook: Jeffrey Perloff, *Microeconomics, Theory and Applications with Calculus*, 8th edition, Pearson.

Other textbooks that might be helpful as references include Hal R. Varian, *Intermediate Microeconomics: A Modern Approach*, 9th Edition; W. Nicholson and I. Lipnowski, *Intermediate Microeconomics and Its Application*, 1st Canadian Edition, Thomson Nelson Publishers, 2008; M.L. Katz and H.S. Rosen, *Intermediate Microeconomics*, 3rd Edition, McGraw Hill.

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Course Description in the University of Manitoba 2018-2019 Undergraduate Calendar

Microeconomic Theory 1 (ECON 3010) -Microeconomic Theory 2—3 Credit Hours:

This course uses basic calculus and optimization techniques to study consumer and firm behaviour, demand and supply theory, monopoly, monopolistic competition, oligopoly, and the Edgeworth Box analysis of an exchange economy.

GENERAL COURSE INFORMATION

This course builds on ECON 2010 to examine in greater detail microeconomic concepts of supply, demand, and industry structure. The analysis of consumer and producer behaviour will use more advanced concepts and tools than those that were encountered in ECON 2010.

Subject to time constraints, the following topics will be covered in lectures:

1. Deriving individual demand curves from an individual's indifference curves and comparing the assumptions and interpretation of the Marshallian, Hicksian (or compensated) demand curves and the "all or nothing" demand curves.
2. Consumer surplus (CS): comparing CS for compensated demand curves with the compensating variation and the equivalent variation in income.
3. Parametric shifts in demand curves; identification pitfalls arising from point observations of (Q,P) data over time.
4. Deriving and interpreting a backward-bending supply curve in leisure-income space.
5. The fundamental Total Cost and Total Revenue curves for analyzing firm behaviour. Deriving marginal cost and average cost curves from total cost curves.
6. Deriving total cost curves from the optimization decision of firms: minimizing total cost of production of a commodity, given a Cobb-Douglas production function and exogenously given factor prices: Lagrange's method of optimization.
7. Comparing the assumptions underlying perfect competition, monopolistic competition, oligopoly, ordinary and perfectly discriminating monopoly in terms of a firm's short-run and long-run conduct and performance.
8. An algebraic characterization of the equilibrium price, output and deadweight loss for a simplified version of the ordinary monopoly.
9. Regulation of a natural monopoly by an uninformed regulator—an introduction to asymmetric information and mechanism design.
10. Edgeworth box geometry to analyze exchange and production in a general equilibrium model. The concepts of Pareto efficiency in exchange, Pareto efficiency in production, and top-level efficiency will be defined and applied.
11. An introduction to non-cooperative game theory, extensive form and normal form representation of games, Nash equilibrium, the concepts of payoff, strategy, dominant strategies, credible threats and subgame perfect Nash equilibrium.
12. Static duopoly models—from Cournot and Bertrand to von Stackelberg.
13. Duopoly in repeated games: discounting, "trigger" (or grim) strategy.

14. Signaling and incentive compatibility.
15. A brief introduction to the economics of uncertainty, risk aversion and a risk premium.

FORMAT OF THE COURSE

Lectures will cover selected topics that are in the textbook as well as other topics that are not covered in the textbook. Students are responsible on the tests only for topics that are covered during lectures.

If your goal is to learn the subject matter and do well in the course, it is highly recommended that you attend lectures regularly, concentrate during lectures and take careful notes, and conscientiously review your notes and, where this applies, the corresponding material in the textbook, in order to reinforce your understanding. While following these suggestions is, almost without exception, a necessary condition in order to achieve a good grade, it is not a sufficient condition, i.e., it does not guarantee that you will do well.

PLEASE NOTE THAT YOUR FINAL GRADE IN THIS COURSE IS BASED ONLY UPON YOUR PERFORMANCE, NOT UPON YOUR NEEDS, (OR YOUR HOPES AND DREAMS, OR YOUR PERSONAL CIRCUMSTANCES OR YOUR EXPECTATIONS).

METHOD OF EVALUATION

The final grade will be based on four 50 minute in-class tests. *There are no assignments and there is no final exam.*

The tests will consist of analytical questions (where students might typically be required to “explain” a concept, or to “derive” some concept or results). The course content covered in each test will be **based on material covered during lectures following the previous test**. Material examined in the 1st test will be based on lectures prior to Test 1.

The dates and weights of the four tests are:

- **Test 1:** Monday, **January 28**, 2019—graded out of 27
- **Test 2:** Wednesday, **February 27**, 2019— graded out of 27
- **Test 3:** Friday, **March 22**, 2019— graded out of 27
- **Test 4:** Monday, **April 8**, 2019— graded out of 20, with a **weight of 20% of the final grade**

Only the best 2 test scores of the first three tests will be counted in determining your final grade and each of your two best test results will be given a weight of 1.48 x 27 or 40% of the final grade.

Fractional marks on tests will be retained until calculating the final numerical grade. If at that final stage a fraction is below 0.5, it will be rounded off to 0. If it is 0.5 or more, it will be rounded up to 1.

Once your final numerical grade out of 100 is calculated, it will be converted to a letter grade according to the following scale:

**0-49 = F; 50-55 = D; 56-64=C; 65-69 = C+;
70-74 = B; 75-79 = B+; 80-89 = A; 90-100 = A+**

Note that with respect to the first three tests, students can see me during my office hours, or by appointment if there is a course conflict during this time-- if they feel their tests were unfairly graded—**no later than 10 working days after the return of a test and an in-class review of the answers required to receive full credit for the questions on the test.** Test 4, the fourth in-class test, will be graded by me, and this test will not be returned or discussed with students. Final grades will be posted on UM Learn during the final examination period.

THE UNIVERSITY OF MANITOBA POLICY ON ACADEMIC INTEGRITY

Students are expected to familiarize themselves with, and fully understand the policy on *plagiarism and academic honesty* at the University of Manitoba. This policy is described in detail in the section **Academic Integrity** in the online **University of Manitoba Undergraduate Academic Calendar 2018-2019**:

- (a) Plagiarism – the presentation or use of information, ideas, images, sentences, findings, etc. as one’s own without appropriate citation in a written assignment, test or final examination.
- (b) Cheating on Quizzes, Tests, or Final Examinations – the circumventing of fair testing procedures or contravention of exam regulations. Such acts may be premeditated/planned or may be unintentional or opportunistic.
- (c) Inappropriate Collaboration – when a student and any other person work together on assignments, projects, tests, labs or other work unless authorized by the course instructor.
- (d) Duplicate Submission – cheating where a student submits a paper/ assignment/test in full or in part, for more than one course without the permission of the course instructor.
- (e) **Personation** – writing an assignment, lab, test, or examination for another student, or the unauthorized use of another person’s signature or identification in order to impersonate someone else. Personation includes **both** the personator and the person initiating the personation.
- (f) Academic Fraud – falsification of data or official documents as well as the falsification of medical or compassionate circumstances/ documentation to gain accommodations to complete assignments, tests or examinations.

RECIPROCAL EXPECTATIONS AT THE UNIVERSITY OF MANITOBA

Students will be treated respectfully and fairly **by myself** in class and outside of class. Students are expected to treat faculty and fellow-students in a respectful manner. During lectures, talking to classmates, eating, texting, leaving the lecture before the end unless this is unavoidable (illness, washroom needs) is disruptive and distracting to me and to your fellow-classmates, and such practices are unacceptable.

Attendance for all lectures is required, although I do not take attendance. Since the tests are based on material covered in lectures, absenteeism will be quite detrimental to a student's grade in the course.

The code of conduct at the University of Manitoba requires a respectful learning environment in which bullying, threats, physical violence, harassment—sexual or other varieties, are prohibited.

ACCEPTABLE GROUNDS FOR NOT WRITING A SCHEDULED TEST

The **only** acceptable grounds for not writing a scheduled are (i) **medical, for which a note from a doctor is required**, and (ii) compassionate, where the reasonable judgement of the instructor will be exercised. If a test is missed on acceptable grounds, then either a make-up test will be scheduled or the prorating of other test grades will be done, at the discretion of the instructor. If a student misses a test for an unacceptable reason, the grade assigned for that test will be zero.

There will be no lectures on the following days: Monday October 8 (Thanksgiving Holiday), and from November 12 to November 16 (the Fall term break)

There will be **no lectures** on the following days:

Monday, February 18, 2019- Louis Riel Day

Tuesday, February 19-Friday, February 22: Mid-term Study Week

Deadlines:

Monday, January 21, 2019 : the last day to revise course registration for the 2019 Winter Term.

After this date, students are ineligible for any tuition fee refund.

Wednesday, March 20, 2019 : the final day to voluntarily withdraw (VW) from 2019 Winter Term courses without academic penalty.

Schedule “A”

Below is a list of academic supports available to students, such as the Academic Learning Centre, Libraries, and other supports:

Writing and Learning Support

The Academic Learning Centre (ALC) offers services that may be helpful to you throughout your academic program. Through the ALC, you can meet with a learning specialist to discuss concerns such as time management, learning strategies, and test-taking strategies. The ALC also offers peer supported study groups called Supplemental Instruction (SI) for certain courses that students have typically found difficult. In these study groups, students have opportunities to ask questions, compare notes, discuss content, solve practice problems, and develop new study strategies in a group-learning format.

You can also meet one-to-one with a writing tutor who can give you feedback at any stage of the writing process, whether you are just beginning to work on a written assignment or already have a draft. If you are interested in meeting with a writing tutor, reserve your appointment two to three days in advance of the time you would like to meet. Also, plan to meet with a writing tutor a few days before your paper is due so that you have time to work with the tutor’s feedback.

These Academic Learning Centre services are free for U of M students. For more information, please visit the Academic Learning Centre website at: <http://umanitoba.ca/student/academiclearning/>

You can also contact the Academic Learning Centre by calling 204-480-1481 or by visiting 201 Tier Building.

University of Manitoba Libraries (UML)

As the primary contact for all research needs, your liaison librarian can play a vital role when completing academic papers and assignments. Liaisons can answer questions about managing citations, or locating appropriate resources, and will address any other concerns you may have, regarding the research process. Liaisons can be contacted by email or phone, and are also available to meet with you in-person. A complete list of liaison librarians can be found by subject: <http://bit.ly/WcEbA1> or name: <http://bit.ly/1tJ0bB4>. In addition, general library assistance is provided in person at 19 University Libraries, located on both the Fort Garry and Bannatyne campuses, as well as in many Winnipeg hospitals. For a listing of all libraries, please consult the following: <http://bit.ly/1sXe6RA>. When working remotely, students can also receive help online, via the Ask-a-Librarian chat found on the Libraries’ homepage: www.umanitoba.ca/libraries.

Schedule B:

Below are a list of **psychological and physical disabilities and/or other health services, including referral information:**

For 24/7 mental health support, contact the Mobile Crisis Service at 204-940-1781.

Student Accessibility Services (SAS)

SAS can be reached at 204-4747423, 520 University Centre, or by email at <http://umanitoba.ca/student/saa/accessibility/>

The services of SAS are for students with a disability—(e.g. mental illness, learning, medical, hearing, visual, and injury-related)--who require academic accommodation supports and services such as note-taking, interpreting, assistive technology and exam accommodations.

Student Counselling Centre

Contact SCC if you are concerned about any aspect of your mental health, including anxiety, stress, or depression, or for help with relationships or other life concerns. SCC offers crisis services as well as individual, couple, and group counselling. *Student Counselling Centre:* <http://umanitoba.ca/student/counselling/index.html>

474 University Centre or S207 Medical Services
(204) 474-8592

Student Support Case Management

Contact the Student Support Case Management team if you are concerned about yourself or another student and don't know where to turn. SSCM helps connect students with on and off campus resources, provides safety planning, and offers other supports, including consultation, educational workshops, and referral to the STATIS threat assessment team. *Student Support Intake Assistant* <http://umanitoba.ca/student/case-manager/index.html>

520 University Centre
(204) 474-7423

University Health Service

Contact UHS for any medical concerns, including mental health problems. UHS offers a full range of medical services to students, including psychiatric consultation.

University Health Service <http://umanitoba.ca/student/health/>

104 University Centre, Fort Garry Campus
(204) 474-8411 (Business hours or after hours/urgent calls)

Health and Wellness

Contact our Health and Wellness Educator if you are interested in information on a broad range of health topics, including physical and mental health concerns, alcohol and substance use harms, and sexual assault.

Health and Wellness Educator <http://umanitoba.ca/student/health-wellness/welcome.html>

Katie.Kutryk@umanitoba.ca
469 University Centre
(204) 295-9032

Live Well @ UofM

For comprehensive information about the full range of health and wellness resources available on campus, visit the Live Well @ UofM site:

<http://umanitoba.ca/student/livewell/index.html>

Schedule C:

Copyright information

All students are required to respect copyright as per Canada's *Copyright Act*. Staff and students play a key role in the University's copyright compliance as we balance user rights for educational purposes with the rights of content creators from around the world. The Copyright Office provides copyright resources and support for all members of the University of Manitoba community.

Visit <http://umanitoba.ca/copyright> for more information.

Section D:

A statement directing the student to University and Unit policies, procedures, and supplemental information available on-line:

Students' rights and responsibilities

As a student of the University of Manitoba you have rights and responsibilities. It is important for you to know what you can expect from the University as a student and to understand what the University expects from you. Become familiar with the policies and procedures of the University and the regulations that are specific to your faculty, college or school.

The [Academic Calendar](http://umanitoba.ca/student/records/academiccalendar.html) <http://umanitoba.ca/student/records/academiccalendar.html> is one important source of information. View the sections *University Policies and Procedures* and *General Academic Regulations*.

While all of the information contained in these two sections is important, the following information is highlighted.

- If you have questions about your grades, talk to your instructor. There is a process for term work and final **grade appeals**. Note that you have the right to access your final examination scripts. See the Registrar's Office website for more information

including appeal deadline dates and the appeal form <http://umanitoba.ca/registrar/>

- You are expected to view the General Academic Regulation section within the Academic Calendar and specifically read the **Academic Integrity** regulation. Consult the course syllabus or ask your instructor for additional information about demonstrating academic integrity in your academic work. Visit the Academic Integrity Site for tools and support <http://umanitoba.ca/academicintegrity/> View the **Student Academic Misconduct** procedure for more information.
- The University is committed to a respectful work and learning environment. You have the right to be treated with respect and you are expected conduct yourself in an appropriate respectful manner. Policies governing behavior include the:

Respectful Work and Learning Environment

http://umanitoba.ca/admin/governance/governing_documents/community/230.html

Student Discipline

http://umanitoba.ca/admin/governance/governing_documents/students/student_discipline.html and,

Violent or Threatening Behaviour

http://umanitoba.ca/admin/governance/governing_documents/community/669.html

- If you experience **Sexual Assault** or know a member of the University community who has, it is important to know there is a policy that provides information about the supports available to those who disclose and outlines a process for reporting. The **Sexual Assault** policy may be found at:
http://umanitoba.ca/admin/governance/governing_documents/community/230.html
More information and resources can be found by reviewing the Sexual Assault site <http://umanitoba.ca/student/sexual-assault/>
- For information about rights and responsibilities regarding **Intellectual Property** view the policy
http://umanitoba.ca/admin/governance/media/Intellectual_Property_Policy_-_2013_10_01.pdf

For information on regulations that are specific to your academic program, read the section in the Academic Calendar and on the respective faculty/college/school web site

<http://umanitoba.ca/faculties/>

You can contact an **Academic Advisor** for questions about your academic program and regulations <http://umanitoba.ca/academic-advisors/>

You can contact **Student Advocacy** if you want to know more about your rights and responsibilities as a student, have questions about policies and procedures, and/or want support in dealing with academic or discipline concerns.

<http://umanitoba.ca/student/advocacy/>

520 University Centre

204 474 7423

student_advocacy@umanitoba.ca