



ÇANKAYA UNIVERSITY

Faculty of Economics and Administrative Sciences

Course Definition Form

Part I. Basic Course Information

Department Name	ECONOMICS	Dept. Numeric Code	3 1
Course Code	E C O N 2 0 8	Number of Weekly Lecture Hours	3
		Number of Weekly Lab/Tutorial Hours	0
Course Web Site	http:// econ208.cankaya.edu.tr	Number of Credit Hours	3
		ECTS Credit	0 5

Course Name and Other Course Information

This information will appear in the printed catalogs and on the web online catalog.

English Name	Microeconomic Theory II
Turkish Name	Mikroiktisat Teorisi II
Mode of Delivery	Face to face
Language of Instruction	English

Course Description

Provide a brief overview of what is covered during the semester. This information will appear in the printed catalogs and on the web online catalog.

Maximum 60 words.

The second part of an intermediate level microeconomic theory sequence covering perfect competition, monopoly and price discrimination, monopolistic competition, basic concepts of game theory, theories of oligopoly, factor markets, general equilibrium analysis and welfare economics, externalities and public goods, asymmetric information.

Prerequisites (if any) <i>Give course codes and check all that are applicable.</i>	1 st	2 nd	3 rd	4 th
	□ Consent of the Instructor	□ Senior Standing	□ Give others, if any	
Co-requisites (if any)	1 st	2 nd	3 rd	4 th
Course Type <i>Check all that are applicable</i>	<input checked="" type="checkbox"/> Must course for dept <input type="checkbox"/> Must course for other dept.(s) <input type="checkbox"/> Elective course for dept. <input type="checkbox"/> Elective course for other dept.(s)			

Part II. Detailed Course Information**Course Objectives***Maximum 100 words.*

The purpose of this course is to analyze the functioning of competitive and imperfectly competitive markets, to investigate how agents make their decisions in these markets, to introduce the general equilibrium theory and welfare economics, and to examine market failures and the policies available to deal with them.

Learning Outcomes*Explain the learning outcomes of the course. Maximum 10 items.*

Upon successful completion of this course, students will be able to:

1. Explain the characteristics of a perfectly competitive market; derive and illustrate the equilibrium outcomes of perfect competition; understand how perfect competition is a useful idealization.
2. Describe the model of monopoly; derive and illustrate the equilibrium outcomes of monopoly; explain and show why a monopoly is socially inefficient.
3. Understand the practice of price discrimination; derive and illustrate the equilibrium of outcomes of monopoly under the three types of price discrimination.
4. Describe the characteristics of monopolistic competition; explain and show how price and output are determined in monopolistically competitive markets.
5. Define and explain the concept of Nash equilibrium; derive Nash equilibria for simultaneous and sequential-move games.
6. Describe the main oligopoly models: Cournot, Bertrand, Stackelberg, Price Leadership, and Collusion; derive, compare and contrast the equilibrium outcomes of these models.
7. Examine the behavior of consumers and firms in general equilibrium; distinguish between the first and second theorems of welfare economics; understand the implications of these two theorems and their relationship to welfare maximization.
8. Define and explain the concepts of externalities and public goods; examine the suggested solutions to mitigate these two problems.
9. Describe asymmetric information and distinguish between adverse selection and moral hazard, the two problems associated with asymmetric information; examine suggestions to mitigate these two problems.

Textbook(s)*List the textbook(s), if any, and other related main course material.*

Author(s)	Title	Publisher	Publication Year	ISBN
Varian, H. R.	Intermediate Microeconomics with Calculus	W.W. Norton & Company	2014	978-0393123982
Bergstrom, T. C. and H. R. Varian	Workouts in Intermediate Microeconomics	W.W. Norton & Company	2014	978-0393922615

Reference Books*List, if any, other reference books to be used as supplementary material.*

Author(s)	Title	Publisher	Publication Year	ISBN
Nicholson, W. and C. M. Snyder	Microeconomic Theory: Basic Principles and Extensions, 12th edition	Cengage Learning	2017	978-1305505797
Besanko, D. A. and R. R. Braeutigam	Microeconomics, 5th edition	John Wiley & Sons	2014	978-1118572276
Gravelle, H. and R. Rees	Microeconomics, 3rd edition	Pearson Education	2004	978-0582404878
Pindyck, R. S. and D. L. Rubinfeld	Microeconomics, 9th edition	Pearson Education	2018	978-0134184241

Teaching Policy*Explain how you will organize the course (lectures, laboratories, tutorials, studio work, seminars, etc.)*

The teaching strategy will be mostly based on lectures and problem solving. Students are expected to participate in class discussions and are encouraged to ask questions and share their opinions. Instructor will hold regular office hours specifically to answer students' questions about the course material and assist them.

Laboratory/Studio Work*Give the number of laboratory/studio hours required per week, if any, to do supervised laboratory/studio work and list the names of the laboratories/studios in which these sessions will be conducted.*

NA

Computer Usage*Briefly describe the computer usage and the hardware/software requirements for the course.*

NA

Course Outline <i>List the weekly topics to be covered.</i>	
Week	Topic(s)
1	Perfect competition.
2	Applying the competitive model: Consumers' surplus, producers' surplus, taxes, tariffs, quotas and other policies.
3	Monopoly and welfare implications of monopoly.
4	Price discrimination in monopoly.
5	Monopolistic competition.
6	Basic concepts of game theory.
7	Midterm exam.
8	Theories of oligopoly: Cournot and Bertrand models.
9	Theories of oligopoly: Stackelberg, Price Leadership and Collusion models.
10	Factor markets.
11	General equilibrium theory and welfare economics.
12	Externalities.
13	Public goods.
14	Asymmetric information.

Grading Policy <i>List the assessment tools and their percentages that may give an idea about their relative importance to the end-of-semester grade.</i>								
Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage
Midterm Exam	2	50						
Final Exam	1	40						
Class Participation	1	10						

ECTS Workload <i>List all the activities considered under the ECTS.</i>			
Activity	Quantity	Duration (hours)	Total Workload (hours)
Attending Lectures (<i>weekly basis</i>)	14	3	42
Attending Labs/Recitations (<i>weekly basis</i>)	-	-	-
Compilation and finalization of course/lecture notes (<i>weekly basis</i>)	14	1	14
Collection and selection of relevant material (<i>once</i>)	1	1	1
Self-study of relevant material (<i>weekly basis</i>)	14	2	28
Take-home assignments	-	-	-
Preparation for quizzes	-	-	-
Preparation for mid-term exams (<i>including the duration of the exams</i>)	2	10	20
Preparation of term paper/case-study report (<i>including oral presentation</i>)	-	-	-
Preparation of term project/field study report (<i>including oral presentation</i>)	-	-	-
Preparation for final exam (<i>including the duration of the exam</i>)	1	20	20
TOTAL WORKLOAD / 25			125/25
ECTS Credit			5

Program Qualifications vs. Learning Outcomes Consider the program qualifications given below as determined in terms of learning outcomes and acquisition of capabilities for all the courses in the curriculum. Look at the learning outcomes of this course given above. Relate these two using the Likert Scale by marking with X in one of the five choices at the right.						
No	Program Qualifications	Contribution				
		0	1	2	3	4
1	To know the fundamental concepts in economics and associated social sciences, and relate these concepts to each other.					X
2	To know the quantitative and qualitative methods and computer skills necessary for testing hypotheses derived from economic theories for the purpose of contributing towards the solution of economic problems.				X	
3	To acquire the necessary knowledge for gathering and processing data, and for building up the scientific research capacity to guide economic policy.			X		
4	To specialize in some of the sub-disciplines of economics, and to gain interdisciplinary analytical skills by making connections between those sub-disciplines and other social sciences.			X		
5	To have the ability to question, interpret, and analyze the findings of economic studies.					X
6	To develop the ability to present in writing as a report and verbally as a presentation the knowledge acquired through education.		X			
7	To be able to work in teams, and when necessary to rise up to the challenge individually.				X	
8	To gain life-long learning and critical-thinking skills.					X
9	To be able to assess one's need for advanced study and to make plans accordingly by using the critical and analytical thinking skills gained during undergraduate studies.				X	
10	To gain the ability to use a language at least at the Level B1 of the European Language Portfolio to follow economic news and developments, and to communicate with colleagues.			X		
11	To maintain scientific, social, and ethical standards when collecting, interpreting, and disseminating economic information, and in application of economic ideas.					X
12	To be conscious of social and environmental needs.				X	
13	To develop an open-minded attitude towards new ideas and developments.					X
14	To relate the knowledge gained through education to the cultural and historical characteristics of the society.		X			

Scale for contribution to a qualification: 0-none, 1-little, 2-moderate, 3-considerable, 4-highest