Course schedule: Tuesday 8.30-11:30
Course location: MNT 103
Office: University 120: FSS Building office 9039
Office hours: Tuesday 2.00-3.30 or by appointment
Telephone: 613 562 5800 ext 7066
E-mail: Aggey.Semenov@uottawa.ca
Assistant: Jin Wang jwang396@uottawa.ca office hours Wednesdays 2.30-3.30

OFFICIAL COURSE DESCRIPTION
An examination of critical aspects of microeconomic theory drawn from recent analysis of consumer behavior, costs and production, transaction costs, uncertainty and the organization of economic activity. Prerequisite: ECO 6122.

GENERAL COURSE OBJECTIVES
This course introduces the student to modern concepts of general equilibrium theory, game theoretic modeling and contract theory. The main objective of this course is to equip students with tools necessary to do independent research in microeconomics.

SPECIFIC OBJECTIVES
Main textbook:
- Mas-Colell, Andreu, Michael Whinston, and Jerry Green (MWG). Microeconomic Theory.

Supplementary
- Fudenberg, Drew and Jean Tirole: Game theory
- Varian: Microeconomic analysis
- Laffont Jean-Jacques and David Martimort : The theory of incentives
- Osborn & Rubinstein: A Course in Game Theory

COURSE WEBSITE:
There is a course website located at Bright Space.

We will also use
https://sites.google.com/site/semenovaggey/home/courses/ufoeco7922-carleteonecon6020
I will post the assignments on this site.

EVALUATION
The course will be graded on the basis of three assignments (15% each) and the final exam (55%). The deferral exam, if needed, is scheduled on 4th of May 2018.
COURSE OUTLINE
Part I: Foundations of game theory – Complete information games 3 lectures
Texts: MWG. CH. 7, 8, Osborn & Rubinstein, Fudenberg & Tirole
   1. Normal (strategy) and extensive forms of the game
   2. Randomization
   3. Dominant strategies
   4. Nash equilibrium and Correlated equilibrium
   5. Sequential rationality and subgame perfection
      a. Examples of games: Product differentiation, Hotelling, Salop models
      b. The war of attrition*,
      c. Rubinstein bargaining model,
      d. The second-price auction.

Part II: Games with incomplete information – 3 lectures
Texts: MWG. CH. 9 and 12, Osborn & Rubinstein, Fudenberg & Tirole
   2. Beliefs and sequential rationality.
   3. Perfect Bayesian Nash equilibrium. The basic signaling game.
   4. Adverse selection Laffont Martimorth
   5. Moral hazard Laffont Martimort
Problem set 1: covers parts I and II. Due date – February 27

Part III: Cooperative games and repeated games – 4 lectures
   1. Cooperative games. Basic definitions. MWG CH 18 Appendix A; Osborne Rubinstein
      a. Core
      b. Shapley value *
   2. Theory of repeated games MWG CH 12D and Appendix A
      a. Definitions
      b. Folk theorem
Problem set 2: covers parts II and III – due April 3

Part III: GENERAL EQUILIBRIUM – 3 lectures – problem solving. This part of the course will include presentations by groups of students. We will solve problems from past comprehensive exams and new problems.
Main texts: MWG. Varian
   1. Pure exchange: The Edgeworth box: MWG 15B, Var. 17
   2. General equilibrium with production MWG 15 C & D, Var. 18
Absence from an examination or late submission of an assignment

Absence from any examination or test, or late submission of assignments due to illness, must be justified; otherwise, a penalty will be imposed. The Faculty reserves the right to accept or reject the reason offered. Reasons such as travel, employment, and misreading the examination schedule are not usually accepted.

Only medical certificates from doctors certified by the College of Physicians and Surgeons of Ontario or the College of Psychologists of Ontario, or their Québec equivalents, are considered to be valid medical certificates. Certificates from naturopaths, homeopaths, doctors of traditional Chinese medicine, etc., will not be accepted.

Deferred exams for fall economics courses will be scheduled between January 8 and January 19, 2018.

Deferred exams for all ECOXXXX courses will take place on Friday, May 4, 2018. Requests for deferred exams must be submitted to FSS 9005 and must respect all the conditions of Academic Regulation I9.5 (https://www.uottawa.ca/administration-and-governance/academic-regulation-9-evaluation-of-student-learning) and must include a signed copy of the “Request for a Deferred Mark” form, which is available here: http://socialsciences.uottawa.ca/sites/socialsciences.uottawa.ca/files/request-deferred-mark.pdf

Reasons such as travel will not be accepted as reasons for missing a deferred exam except in exceptional cases that are properly documented.

Beware of Academic Fraud!

Academic fraud is an act committed by a student to distort the marking of assignments, tests, examinations, and other forms of academic evaluation. Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions.

Here are a few examples of academic fraud:

- engaging in any form of plagiarism or cheating;
- presenting falsified research data;
- handing in an assignment that was not authored, in whole or in part, by the student;
- submitting the same assignment in more than one course, without the written consent of the professors concerned.

In recent years, the development of the Internet has made it much easier to identify academic plagiarism. The tools available to your professors allow them to trace the exact origin of a text on the Web, using just a few words.

In cases where students are unsure whether they are at fault, it is their responsibility to consult the University’s Web site at the following address: http://www.socialsciences.uottawa.ca/eng/writing_tools.asp « Tools for Writing Papers and Assignments ».

Persons who have committed or attempted to commit (or have been accomplices to) academic fraud will be penalized. Here are some examples of the academic sanctions, which can be imposed:

- a grade of « F » for the assignment or course in question;
- an additional program requirement of between 3 and 30 credits;
- suspension or expulsion from the Faculty.

Last session, most of the students found guilty of fraud were given an « F » for the course and had between three and twelve credits added to their program requirement.

For more information, refer to:

http://www.uottawa.ca/academic/info/newsletter/fraud_e.html