

Professor Colin Stewart
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Course webpage: <http://individual.utoronto.ca/colinstewart/eco2030.html>

Office Hours: Thursday 4:00–5:00pm

ECO2030H1S: MICROECONOMIC THEORY II (PHD), UNIT 2
WINTER 2013

CLASSES: Mondays and Wednesdays 9:10-11:00am, ES B142 and WW121

TUTORIALS: Wednesdays 4:10-6:00pm, SS2110

REQUIRED TEXTBOOK:

Microeconomic Theory, by A. Mas-Colell, M. Whinston, and J. Green, Oxford University Press.

ADDITIONAL REFERENCES:

A Course in Game Theory, by M. Osborne and A. Rubinstein, MIT Press.

Game Theory for Applied Economists, by R. Gibbons, Princeton University Press.

The Theory of Incentives, by J.-J. Laffont and D. Martimort, Princeton University Press.

The Economics of Contracts, by B. Salanié, MIT Press.

GOALS:

This course is designed with several goals in mind. The first is to provide you with an understanding of the core elements of information economics that you can draw on regardless of what subfield you pursue (these ideas are becoming increasingly important in a wide range of subfields beyond micro theory, including, e.g., macro and health). Second, mastering the course material will ensure that those of you interested in pursuing research in micro (or macro) theory are adequately prepared. Finally, solving problems and working through the material will help to develop your facility with economic modelling in general.

EVALUATION AND REQUIREMENTS:

Evaluation for this unit will be based entirely on the final exam, to be held during the April exam period. The exam will be closed book with no aids permitted. The overall grade for the course will be determined by the average of the grades in units 1 and 2.

I will also distribute problem sets. Problem sets will not be collected or graded, but I strongly encourage you to attempt every problem.

TUTORIALS: The TA for the course is Chaoran Chen. His email is chaoran.chen@mail.utoronto.ca. He will hold four tutorials from 4-6pm on Wednesdays starting on March 13th.

EMAIL: Email should be used only for logistical questions about the course. Questions about course content should be asked in person, either at office hours or after class. If you do not receive a response to an email within two days, please resend the email.

Email will be the primary means of communication for announcements outside of class time. If you are not an economics graduate student or you do not want me to use the address posted on the departmental website, please send me an email to add your address to the mailing list.

OUTLINE OF TOPICS:

1. Extensive games with incomplete information: MWG9, OR11–12, G4
2. Signaling: MWG13, G4, S4
3. Moral hazard: MWG14, S5, LM4–5
4. Adverse selection and screening: MWG13, S2–3, LM2–3

5. Mechanism design: MWG23
6. Social choice (time permitting): MWG21