

University of Toronto: Department of Economics

ECO100Y L0301: Principles of Economics

Summer, 2014: TWR 10AM-12PM in MP203

Kieran Furlong: k.furlong@utoronto.ca

Office Hours: MW 5:10 - 6:00PM in MP203, TR 12:10 – 1:00PM in MP203

TEXTBOOK: *Economics* (14th Canadian Edition, 2013), Christopher Ragan and R. Lipsey.

EVALUATION:

Test 1	Multiple Choice	June 3	10:00 – 11:00 AM	12.5% of Grade
Midterm	Diagram/Calculation	July 11 (Friday)	10:00AM – Noon	25% of Grade
Test 2	Multiple Choice	August 6	10:00 – 11:00 AM	12.5% of Grade
Final Exam		Final Exam Period (Aug 13-17)		50% of Grade

The tests and the midterm cover the material since the previous test/midterm but the final exam covers the whole course. Students who miss a midterm must email me a scanned copy of a medical/funeral document within one week of the exam to write a make-up covering the whole course from 10:00 –11:00 AM on August 8.

The final examination is divided into multiple-choice questions, worth 50% of the exam, and analytic/diagrammatic/calculation/explanation questions, worth 50% of the exam. Every student in ECO100Y must answer the multiple-choice questions, which cover core material common to all sections, and must also answer other questions specific to their section.

LECTURES NOTES/PROBLEM SETS/SAMPLE EXAMS

I will sell a package of Lecture Notes, Problem Sets, and Practice Exams with solutions at cost (\$10) in class. These problem sets are not graded but provide exercises necessary to clarify the economic models presented in the lectures and tested on exams.

TUTORIALS/OFFICE HOURS (TAs):

Teaching Assistants provide tutorials every week to clarify the problem sets and also hold office hours for individual consultation on problems.

Tutorials: M/T/W/R: 12:00PM–1:00P, 1:00–2:00PM; T/R: 4:00–5:00 PM, 5:00–6:00PM

Office Hours: Monday/Tuesday/Wednesday/Thursday 2:00 – 3:00 PM

LECTURE AND READING SCHEDULE

May	13	Introduction and Basic Definitions: Chapter 2 and Appendix Chapter 1
May	14	Production Possibilities Curves. Ch.1, particularly 4-9; Demand: Ch. 3, 55-64
		Problem Set: Production Possibilities
May	15	Demand: Ch. 3, 55-64; Supply, 64-68
		Problem Set: Demand and Supply
May	20	Equilibrium Price and Quantity. Ch. 3, 68-77
May	21	Government Price Controls. Ch. 5, 98-113 ; Ch.14: 346-348
		Problem Set: Market Equilibrium and Price Controls
May	22	Elasticity Ch. 4, 81-90, 95-98
May	27	Elasticities and Tax: Ch. 4, 92-95
		Problem Set: Elasticity and Per Unit Taxes
May	28	Consumer Choice: Budget Lines & Indifference Curves. Ch. 6 Appendix, 143-4
	29	Consumer Equilibrium, Derivation of Demand. Ch. 6 Appendix, 148-50
		Problem Set: Consumer Choice
June	3	TEST #1: 10:00 – 11:00 AM
	4	The Firm and Short-run Product. Ch. 7, 153-66
		Problem Set: Derivation of Demand
June	5	Short-run Cost. Ch. 7, 166-173
		Problem Set: Short-run Cost

ECO100Y L0301: Summer, 2014

June.	10	Short-run Competitive Equilibrium: Ch. 9, 200-214
		Problem Set: Short-run Equilibrium
	11	Long-run Cost. Ch. 8, 177-185
June	12	Competitive Long-Run Equilibrium. Ch. 9, 215-220
		Monopoly: Marginal Revenue and Profit Maximization. Ch. 10, 227-230
		Problem Set: Long-run Equilibrium
June	17	Monopoly: Marginal Revenue and Profit Maximization. Ch. 10, 227-230
		Monopoly Equilibrium. Ch. 10, 230-34
June	18	Natural Monopolies and Cartels: Ch. 10, 237-241
		Problem Set: Monopoly
June	19	Economic Efficiency. Ch.5: 113-120, Ch. 12: 281-296
		Problem Set: Efficiency
July	2	Externalities. Ch. 16, 391-397; Ch. 17, 418-423; Ch. 18: 454-457
	3	Gains from Trade, Ch. 34: 846-858; Comparative Advantage, Ch. 33, 823-839
		Problem Set: Comparative Advantage
		MACROECONOMICS
July	8	Business Cycles and Unemployment. Ch. 19, 473-483, Ch. 31, 775-796
	9	Price Indices and Inflation. Ch. 19, 484-493; Ch. 20: 509-511
		Problem Set: Price Indices and Unemployment
July	10	Gross Domestic Product (GDP) and National Accounts. Ch. 20, 497-505
		National Accounts: Expenditure and Income. Ch. 20, 505-515
		Problem Set: National Accounts
July	11	MIDTERM EXAM 10:00AM – 12:00 Noon
July	15	Aggregate Expenditure (AE): Consumption (C). Ch. 21, 518-527
		AE: C + I (Investment) and Equilibrium. Ch. 21, 527-541
		Problem Set: Consumption/Investment
July	16	Equilibrium: $C + I + G + X - IM = Y$ & Multipliers. Ch. 22. 545-559; Appendix
		Problem Set: MacroModel
July	17	Government Deficits. Ch. 32: 801-809
July	22	Money and Banking. Ch. 27, 664-671
		Money Supply. Ch. 27, 678-685
		Problem Set: Money Supply
July	23	Money Demand. Ch. 15: 361-367; Ch. 28: 690-699
	24	Equilibrium Money and Interest Rate. Ch. 28, 700-703
		Problem Set: Money Demand/Supply and Equilibrium
July	29	Bank of Canada and Monetary Policy. Ch. 29, 719-733
	30	Money and GDP Equilibrium. Ch. 15: 367-371
		Problem Set: Money and GDP Equilibrium
July	31	Aggregate Demand. Ch. 23, 566-572
		Aggregate Supply and Short-run Equilibrium. Ch. 23, 575-576
		Problem Set: Aggregate Demand/Supply in the Short-run
August	5	Long-run Aggregate Demand/Supply. Ch. 24; Ch. 28: 707-714; Ch. 30: 756-61
August	6	TEST #2: 10:00 - 11:00 PM
	7	Aggregate Demand and Aggregate Supply Shocks. Ch. 23, 572-583
		Problem Set: Aggregate Demand/Supply in the Long-run
August	12	Balance of Payments and Flexible Exchange Rates. Ch. 35, 873-878
		Fixed Exchange Rates and Monetary Policy; Ch. 35, 878-889
		Problem Set: Balance of Payments and Exchange Rates

