

Time and Location

Lecture: Wednesdays: 3-5pm in LM 161, Thursdays: 10-12 in LM 161
You can attend either lecture.

Tutorials:
Wednesday 6-8 in MP137, Thursday 3-5 in UC 163, Thursday 6-8 in SS1074, Friday: 3-5 in SS 2105
You must attend the tutorial for which you are enrolled.

Contact Information

<p>Instructor: Karen F Bernhardt-Walther bkaren@economics.utoronto.ca</p>	<p>Section TAs: Chris Dobronyi: christopher.dobronyi@mail.utoronto.ca Mathieu Gonthier: mathieu.gilbert.gonthier@mail.utoronto.ca</p> <p>Other TA Ridwan Karim: ridwan.karim@mail.utoronto.ca</p>
<p>Office Hours: Tu: 10-11am in GE 348 You can also email me to arrange to meet me before class. If neither of these times fits your schedule, please email me with a copy of your time table attached to set-up an appointment at some other time.</p>	<p>Office Hours: Tu 2-4pm GE313 TAs rotate holding office hours. Additional office hours for the weeks before midterms will be announced on Blackboard.</p>

Email Policy & Etiquette

For many questions you might have, email is an appropriate medium. We try (though not always succeed) to reply to email within 48 hours (except on weekends). During the days before a test it (almost) always takes us 48h to respond. A few rules help us get back to you faster:

Put ECO204 in subject line. Always use ECO204 in the subject line, and always identify yourself and your section in your email.

Do your work first. Email is not a mechanism to receive an extensive private tutorial or to teach materials that were delivered in a lecture you missed. You do need to show evidence that you have worked on a problem or have attempted to locate the information elsewhere before emailing for an explanation.

Email TA first. Email the TA teaching your tutorial first. If the TA cannot answer the question, the TA will forward it to the instructor.

Be specific. The more specific your question, the faster and the more likely we will be able to answer.

If an answer to your question is complex or lengthy, we will suggest you come to office hours instead.

No attachments. Please do not send attachments unless requested and do not submit term work by email.

Check syllabus and portal first. We do not answer questions the answers to which are available in the syllabus or on the portal.

Be professional. Email communication is professional correspondence. We expect you to treat it as such – with regard to tone, appropriate level of formality, and reviewing what you wrote before hitting “send.” We will not respond to emails without a greeting or closing, emails that contain excessive punctuation or no punctuation at all, emails that contain excessive capitalization or no capitalization at all, or emails with attachments we did not ask for.

Last but not least, I strongly recommend using UToronto email address - University policy stipulates that preference for U of T.

Course Description, Goals, and Prerequisites

Eco204 has two main goals: to provide students with a solid foundation of rigorous microeconomic theory and to further students' skills in critical thinking, economic analysis, problem solving, and writing.

Note about prerequisites: It is your responsibility to ensure that you have met **all** prerequisites listed in the Economics section of the A&S Calendar for this course. If you lack any prerequisites you **WILL BE REMOVED**. No waivers will be granted.

Course Webpage

The website associated with this course is accessible via <http://portal.utoronto.ca>

Please check the webpage frequently for course announcements and course materials. All announcements made on portal are considered to have been communicated to the class. Not having read or seen an announcement is not an accepted excuse for not following guidelines/ missing deadlines etc. announced there. If you like to see announcements in your email inbox, you can set your preference on portal as to receive an email (notification) when announcements have been posted.

Tips on doing well

- Attend every lecture and every tutorial.
- Come to class prepared. I will provide specific reading assignments for each class. You should complete the reading through *active reading*: Keep a separate notebook for your readings only. Keep it next to you while you work through the reading assignment. Pause after each paragraph to summarize the paragraph you just read in a sentence or two. If you cannot provide such a summary, read the paragraph again. Make sure you can reproduce any formal argument or graphs discussed in the reading. Take note of any concepts that are unclear or questions that the reading has raised. Come back to them after class to see if the lecture has answered your questions.
- Don't re-read – Practice. Don't review – Practice. Don't memorize – Practice. After you read the textbook chapter once and have reviewed your class notes, most of you will gain little additional benefit from re-reading the textbook or notes. Instead, spend as much time as possible doing practice problems: By doing problems you practice applying what you have learned and you quickly figure out where you still might have gaps in your understanding.
- Put in effort continuously, rather than cramming hard in short bursts. In addition to expanding your knowledge, Eco204 has a strong emphasis on developing skills. Doing so takes practice over a period of time.
- Work through the practice problems. They were chosen to develop your skills, deepen your understanding, and prepare you for the midterm and final. The key to a problem is not its solution, but what you discover on your way to the solution. If you get stuck, attempt a problem solving technique discussed in the problem solving tutorial and talk to at least one class mate about the problem *before* consulting the solution. Once you have consulted a solution, discovering the solution on your own is an option forever lost – as is any insight you would have gathered along the way.
- Form a study group to work through practice problems. You will learn from each other – both in the mistakes you make and in what you master. You will learn both by explaining to others and by listening to their explanation.
- Ask these questions a lot: What does this mean? What is it useful for? Can you/ I give an example?
- Take your work for this class seriously. It is difficult work, sometimes frustrating. Be patient with yourself. You do not become a concert pianist overnight or a great actor or a great chef. You also do not become a great economist overnight. Keep an eye on the long-term goal and continuously work toward it.
- Don't take your work for this class too seriously. There are more important things in life than doing well in a class.
- Dare to play. Dare to fall. Dare to make mistakes.

Course Evaluation/Marking Scheme

There will be 1000 points assigned in various assignments in this course. The weighting of different assignments is built into the points available for each assignment. One point earned in a quiz is worth the same as one point earned in the final. To convert points into percentage marks, divide by 10.

Points are distributed as follows

		Worth	%	When/ Due	Where	Submission
Exams						
Midterm 1	200 each, drop the lowest score	400	40%	Nov 12 th 6:30-9pm	Exam center	hard-copy
Midterm 2				Jan 28 th 6:30-9pm	Exam center	hard-copy
Midterm 3				Mar 17 th 6:30-9pm	Exam center	hard-copy
Final		250	25%	Final examination period	tba	hard-copy

Writing						
Note-taking (submit as group)		50	5%	One week during course, see assignment in second week	in class and at home	Blackboard
Unconstrained Writing 1	Drop the lower score	20	2%	Oct 1 st , 10pm	at home	Blackboard
Unconstrained Writing 2				Nov 5 th , 10pm	at home	Blackboard
Executive Summary 1	Drop the lower score	20	2%	Oct 22 nd , 10pm	at home	Blackboard
Executive Summary 2				Dec 3 rd , 10pm	at home	Blackboard
Model				Feb 10 th , 10pm	at home	PeerScholar*, Blackboard & Turnitin
Model Feedback		60	6%	Feb 17 th , 10pm	at home	PeerScholar*
Draft & Reflection (submit as group)		30	3%	Mar 3 rd , 10pm	at home	PeerScholar*, Blackboard & Turnitin
Final Submission (as group)		70	7%	Mar 31 st , 10pm	at home	Blackboard & Turnitin

Other						
Quizzes		50	5%	Weekly	at home, online	Blackboard
2 Quick Tests		50	5%	Week 13, Week 18	in tutorial	hard-copy

Total		1000	100%			
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Bonus						
Review Quiz		50		Sep 27 th	at home, online	Blackboard

* PeerScholar cannot be used with Internet Explorer, please use Mozilla Firefox, Google Chrome, or Safari browsers.

Note: Your points will be recorded on Blackboard. It is wise to check that your marks have been recorded accurately. If not, email me at bkaren@economics.utoronto.ca. Note that a correction to your points and

marks will not show on BB until the next updating of the entire BB Grade Centre; this may be a few weeks after the correction has been approved.

Note: Blackboard will not always accurately account for things such as “lowest score dropped”. Therefore, the running total on Blackboard may at times not accurately reflect your current total in the class.

Rounding Policy: Per university rules, your final mark will be an integer percentage number. To arrive at your final mark I will divide your total score by 10 and round the result to the nearest integer. The resulting integer will not be rounded again. For example, if you receive 694 points, your final score will be a 69. To get a final mark of 70% you need at least 695 points in this class. There will be no exceptions to this policy.

Work load, Weekly Time Spent, and Making Mistakes

You should average at least 8 hours per week on our course. (A full time work week is 40 hours of work a week and a the course load for a full time student at UofT involves 5 courses each term.) Spending 110 minutes each participating in lecture and TA tutorials, and up to 60 minutes completing weekly portal quizzes gets you a bit more than halfway there. The remaining time should be spent primarily on actively solving problems (practice problems, old test/exam questions when reviewing) and working with the readings. Most of your preparatory work will be graded only indirectly (in other words, in tests and exams).

Also note that there is a lot of forgiveness built into the grading scheme. Use it to make mistakes that are instructive. The goal is not to get the highest grade with the least amount of work – no matter what some of others may try to make you believe. Instead the goal is to learn the most given the time that you have.

Beethoven supposedly said “To play a wrong note is insignificant; to play without passion is inexcusable.” The Eco204 version of this is: “To get an answer wrong is insignificant; to forgo an opportunity to learn and understand is inexcusable.”

Reading Material/Textbook(s)

You benefit from seeing the same concept explained twice – once in a textbook, once in class. For that reason you are required to have a textbook. However, students vary in their preferences for long or short explanations, explanations that are more or less mathematical. Since no one textbook fits the depths, rigor, and goals for this class perfectly, the reading assignments are supporting the following five textbooks. Please find *one* that is appealing to your and suitable for your learning style.

Required: One of the following (alphabetically by author name)

(1a) Steven Landsburg: “Price Theory and Applications,” 9th edition

It is often sold with an “InfoTrac® Printed Access Card” – you do not need one.

This textbook strikes the best balance I know between teaching economic thinking at a rigorous and in-depth level without becoming mathematically too advanced. In particular, when discussing consumer choice, we will in class be more mathematically advanced, use calculus and introduce Lagrangian multipliers. However, if you care more for building a good economic working knowledge and for easily accessible explanations, then this book might be a good fit for you. The book is currently available at the campus bookstore for 170CAD, incl. HST. This is a special price negotiated with the publisher.

(1b) Preston McAfee: “Introduction to Economic Analysis”

Available at: <http://www.mcafee.cc/Introecon/IEA.pdf>

This textbook has the advantage of being available for free under a creative-commons-license. The explanations offered are concise and to the point. It uses the language of calculus throughout and covers all the essential topics. However, the topics are discussed in an order different from what we will do in class, there are only few applications given, constrained optimization and Lagrangian multipliers which we will cover in class are not included in the chapter on consumer theory. Also, some students will find the explanations too short and not providing enough intuition. Nonetheless, if you are mathematically inclined and just want the raw, straight forward set-up or argument, then this book might be a good fit for you.

(1c) Walther Nicholson & Christopher Snyder: “Microeconomic Theory: Basic Principles and Extensions,” 11th edition

This textbook heavily uses the language of calculus to convey economic ideas. It does cover constrained optimization and Lagrangian multipliers. It is rigorous and sometimes goes beyond the level of what we will cover in class. If you are very strong mathematical background, enjoy the precise language of calculus, but still want economic depth, then this textbook may be a good fit for you.

(1d) Jeffrey Perloff: “Microeconomics – Theory and Applications with Calculus.” 3rd edition

This is a solid middle-ground textbook. It is more focused on economic theory than Landsburg, but less than Varian or Nicholson & Snyder. At the same time, it is more accessible than Varian and Nicholson & Snyder, but is not as good in teaching economic thinking as Landsburg. It provides solid coverage of all topics we will cover, is light-handed in its use of calculus, but includes a discussion of Lagrangian multipliers in the appendix. For students who like detailed explanations with a focus on economic intuition, the choice will probably be between Perloff’s and Landsburg’s book. For students who like a good mathematical treatment without being overwhelmed by Calculus but still want in-detail explanations, the choice would be between Perloff’s and Varian’s book.

(1e) Hal Varian: “Intermediate Microeconomics with Calculus,” 1st edition

This textbook strives to be more compact than Perloff’s and Landsburg’s but without giving up detailed explanations. It is not as concise as McAfee, but offers a few more insights along the way. It is as light handed in using calculus as is Perloff but it is more rigorous in setting up concepts and goes deeper in terms of modelling. This is a good fit for students who would like a more sophisticated treatment than Perloff’s book had, a more detailed explanation or gradual development than McAfee offers, but not as mathematical a treatment as Nicholson & Snyder present.

Note: Reading assignments will be given with respect to the editions listed above. Content wise you are welcome to use other editions. But be aware the time consuming hassle and need for double-checking.

Highly Recommended:

(2) Watson: “Strategy: An Introduction to Game Theory,” 3rd Edition

Note: This book is a recommended complement to game theory material we will cover next Spring. You can postpone a purchase until we reach that part of the course. 2nd edition works as well – with the same caveats as above.

Recommended for the interested student:

(3) Charles Wheelan, “Naked Economics: Undressing the Dismal Science.”

This book (especially the first seven or eight chapters) discusses real world phenomena related to microeconomic theory in a leisurely tone. It is an easy read and I recommend reading this book twice: Once at the beginning of the year for interesting stories and to remind you why economics may be cool and may have to offer something in terms of explaining real world phenomena; and once after the year is done. If you studied throughout the year, you will see much deeper in the second reading and recognize the models/concepts underneath the examples/ stories given in the book.

(4) Gary Becker, “The Economics of Life: From Baseball to Affirmative Action to Immigration, How Real-World Issues Affect Our Everyday Life”

As the course unfolds, I may recommend additional reading. Especially for the last two lectures, you will likely be required to read economic papers available on campus through jstor.org. Details will be made available ahead of time.

Course Policies

Conflict with Midterm dates

If you have a direct conflict with a midterm, email your section TA as soon as possible, however at least one week before the test to make alternative arrangements.

Missed Tests

- You will be given a zero score on any missed test(s) unless you give your section TA an appropriate and convincing typed explanation or medical note within 5 calendar (not business) days of the missed test.
- If you miss a test due to an illness then you must

provide the Course Coordinator an original University of Toronto medical certificate (photocopies or emailed certificates will NOT be accepted).

- The note must list the physician’s OHIP number
- The note must clearly state that on the date of the test you were too sick to write the test. Illness before the test is not sufficient grounds for missing the test nor are statements that you would have performed “sub-optimally”.
- To comply with these requirements, it is expected that you will have met with the doctor

- o on the day of the test.
- o It is an academic offence to feign illness to avoid a test.
- o Notes from acupuncture clinics, chiropractors, “health care professionals”, hair transplant clinics, veterinarians, etc. will **not** be accepted.
- Your section TA and instructor will review the note and determine if you will be excused from missing the test. Part of this review process may include following up with the physician, your college registrar, or the undergraduate Chair.
 - o If you are excused for missing Test 1, you will write the makeup test on **Friday, December 4th, from 5 – 8 pm in GE 213.**
 - o If you are excused for missing Test 2 or 3, you will write the makeup test on **Friday, April 8th, from 5 – 8 pm in GE 213.**
 - o Makeup tests cover all material through the last lecture before the make-up test. Makeup tests are not “bell curved”. C
 - o Makeup tests are not “bell curved”.
 - o Consistent with university policy, there is no “make-up” test for the make-up test. No medical excuses will be accepted for missing the makeup test and a grade of zero will be

applied.

Missed Quizzes/ Missed Quick Tests

No make-up quizzes or minute papers are given for any reason.

Penalties for Late Submission

Submitting course work late results in an automatic deduction of 10 points per 24h period delay per submission.

Appealing a Grade

Students can appeal test grades and grades for writing assignments submitting an electronically fillable Test Remark Request form available through the portal website. Please note that following an appeal, your test score can increase, decrease, or stay constant. **All appeals must be submitted within 2 weeks of the grade having been posted on the portal.**

Name and student ID number

Please list your name and ID number **as they appear on ROSI** on every assignment, test, exam, etc. Failure to do so results in an automatic deduction of 10 points per incident.

Academic Resources

Accessibility Needs:

Students with diverse learning styles and needs are welcome in this course. In particular, if you have a disability/health consideration that may require accommodations, please feel free to approach me and/or Accessibility Services at (416) 978 8060; accessibility.utoronto.ca.

Writing:

As a student here at the University of Toronto, you are expected to write well. The university provides its students with a number of resources to help them achieve this. For more information on campus writing centres and writing courses, please visit <http://www.writing.utoronto.ca/>.

Information about the University of Toronto’s English Language Learning program (ELL) is available at <http://www.artsci.utoronto.ca/current/advising/ell>.

The economics department also maintains a virtual Economic Writing Center. Students can email their draft once to econwc@gmail.com at least 10 days before the submission deadline and an experienced writing TA will provide some feedback on one main area of improvement.

Other Resources

Student Life Programs and Services (<http://www.studentlife.utoronto.ca/>)
 Academic Success Services (<http://www.asc.utoronto.ca/>)
 Counselling and Psychological Services (<http://www.caps.utoronto.ca/main.htm>)

Commercial Resources – Be warned!

There are entrepreneurs who offer services to ECO 200 students the week before tests / the exam. They typically promise “perfect understanding” through a few hours of intensive study for a fee. *Buyer be aware!*

These entrepreneurs also sell copies of past tests with “correct answers”. Once again, *Buyer be aware!* Note also that past tests and (correct) solutions are posted on the course website.

Finally, I encourage you to consider the following message taken from a poster sponsored by ASSU (The Arts and Science Student Union): *Having anxiety before a test is normal. Companies that offer paid review sessions know this and prey on your anxiety. Free support is available. Make use of your free resource*

Academic Integrity and Plagiarism

Academic Integrity and Plagiarism:

Academic integrity is essential to the pursuit of learning and scholarship in a university, and to ensuring that a degree from the University of Toronto is a strong signal of each student's individual academic achievement. As a result, the **University treats cases of cheating and plagiarism very seriously**. The University of Toronto's Code of Behaviour on Academic Matters (www.governingcouncil.utoronto.ca/policies/behaveac.htm) outlines the behaviours that constitute academic dishonesty and the processes for addressing academic offences.

Please pay close attention to information on "How not to plagiarize" available at the writing centre and at <http://www.writing.utoronto.ca/advice/using-sources/how-not-to-plagiarize>.

All suspected cases of academic dishonesty will be investigated following procedures outlined in the Code of Behaviour on Academic Matters. If you have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, you are expected to seek out additional information on academic integrity from your instructor or from other institutional resources (see www.utoronto.ca/academicintegrity/resourcesforstudents.html).

It may seem like a small short-cut to you: So what? Nobody will ever know. You really need the grade! Not your fault you don't have the time right now. If you had the time you could do well on this assignment, you know that. If you are wondering whether something is an academic offense or plagiarism – it probably is. **Don't. Don't. Don't.** You are jeopardizing your academic future – your grade in this class, a permanent mark on your record, expulsion from the university. You can do well without the short-cut and your head held high.

Details on Course Components and Assignments

Lectures and Lecture Material

In most weeks, lecture slides are posted on portal before the lecture on Wednesday morning. If there is a correction, updated slides might be posted after class. Lecture slides are a teaching aid for me to save time, convey information, and support the class room conversation. They are not a substitute for the assigned reading or for taking your own notes

You will get the most out of class, if you come not to consume but to engage. Try to make sense of what you are hearing, try to find applications, and see how seemingly abstract concepts related to things you experience in real life. Whether you chose to take notes in class or not, I highly recommend writing down notes and/or revising your notes from class the same day.

To really concentrate you need to engage in an activity for at least 15-20 minutes. To encourage that level of focus, the use of cell phones to text, play, browse, etc. is prohibited during the first 20 minute of class.

Tutorials

Tutorials are held every week. In most weeks the tutorial focusses on one particular skill or concept that is relevant for understanding class material and

for doing well in assignments and on tests/exams.

Handouts for tutorials will often be posted on blackboard ahead of time. If they are, please bring a digital or hard copy with you to the tutorial. Your TA will also have a limited number of handouts available that will be distributed on a first-come first-serve basis. Solutions to problems in the hand-outs or those solved in tutorials will not be posted on the portal.¹

Two times this year you will write a quick test during your tutorial time. The quick tests will not test your understanding of economics but assess your skills. More details will be announced in preceding tutorials.

This year we are dedicating more resources than usual to the tutorials: Classes are split in half for tutorial sections of less than 60 students. Tutorials are prepared with a special focus on skill development, and are conducted by particularly experienced TAs.

We hope that doing so supports you in your learning and skill development in Eco204. Please

¹ We just do not have time to write up all those solutions in order to post them.

let us know how this is working out for you, and if there is anything we can do to make tutorials more helpful.

Midterms and Final Exam

There will be three written tests and a final exam. The midterms will each focus on the material that has not been previously tested, but that might build on previous material. The final exam is accumulative.

The midterms will be evening exams on

- Thursday, November 12th, 6:30-9pm.
- Thursday, January 28th, 6:30-9pm.
- Thursday, March 17th, 6:30-9pm.

Midterms are *less* than 2.5h in duration. But please reserve the time until 9pm to allow for before/after administrative issues.

You must be in the exam building no later than 6:20pm on each of the midterm days. We will start the midterms at 6:30 sharp. No accommodations for late arrivals will be made.

Room assignments, i.e., in which room in the exam building you will be writing the midterm, will be announced 24h before the midterm and will change between midterms.

In all midterms and in the final exam, I may ask questions that relate new and old material. You are responsible for all material covered in the assigned reading, lecture material, tutorials, and in the practice problems. The exams may contain short-answer questions, theory questions, and long problems.

Midterms and the final exam are closed book. No calculators are permitted during the exam. No electronic devices (ebooks, laptops, etc.) may be used. All cell phones must be turned off. Do not plan on using your cell phone as a clock.

For the midterms you may use a half-letter-sized paper as a “cheat-sheet,” for the final you may use a full letter sized sheet of paper as a “cheat-sheet.” You can write on both sides. All styles and formats, incl. handwritten, printed, graphs, formulas, etc. are allowed.

Writing Assignments

Writing is not the same as writing well. Writing well is essential to succeed both academically and in the business world. The writing assignments in this class are design to help you develop the skill of writing well.

All writing assignments this year will thematically relate to the Airline industry. The writing assignments in the first term will ask you to reflect about various aspects of the airline industry and hone your skill of writing executive summaries. The writing assignments in the Spring term will build up to an economic-strategic analysis of the airline industry.

Details about the various writing assignments will be made available on the portal.

For now, I am advising you that TURNITIN (TI) will be used to assess whether an assignment is your writing or contains plagiarized passages. Be aware that plagiarism is a serious academic offence.

The University statement on Turnitin.com follows:

“Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site.”

If you choose to opt out of TI, there will be alternate requirements, including a list of every source you consulted, the passages in each source that are relevant to your assignment, and the paraphrased component of your assignment related to each passage. You may also be required to meet with a TA or me to discuss your assignment.

Note that **you must inform me with a signed document by November 1st that you plan to opt out of TI**; otherwise you are committed to submitting to TI. Once committed, failure to submit to TI results in as score of 0 on the assignment.

Last but not least, I strongly encourage you to take screen shots of all your submissions on portal, turnitin, and peerscholar. If I don't see your submission, a screen shot is required for you to prove that you did submit a file.

Note-Taking Assignment

To practice the skill of effective note-taking and producing meeting notes, and to the benefit of all class mates, you will create a set of lecture notes for one class during the year.

You will be assigned to a group of 3-5 students. Student-to-groups and groups-to-weeks assignments will be available at the beginning of the third week of class. Every week, several groups will be responsible for producing a set of lecture notes from the lecture. Every group only has to produce one set of notes throughout the year. Lecture notes are due 10pm on Monday after the lectures were held. The one or two best set of lecture notes will be made available to all students on blackboard, approximately ten days after the lectures were held. Notes published on blackboard will get extra credit.

As many of you will have access to lecture notes prepared by last year's students, I encourage you to look at those to get a sense of what good lecture notes might look like. However, be warned that copying another students' work and presenting it as your own is an academic offense. Also, be aware that my lectures change from year to year.

Study Guides and Practice Problems

Frequently throughout the year, I will make a *study guide* detailing the reading assignment for the next one or two lectures, key concepts, alternative resources as applicable and practice problems. Solutions to the practice problems will be made available approximately one to two weeks later.

The section TA will generally *not* cover the practice problems in the tutorials.

It is your responsibility to work through the problems and review the solution. Doing so is an integral and important part of achieving course objectives. Practice problems are chosen to develop your skills, deepen your understanding, and prepare you for the midterm and final.

The key to these problems is not their solution, but what you discover on your way to the solution. If you get stuck, try at least two of the following *before* consulting the solution

- Identify what are you missing? What information would you need to solve the problem? Where can you get that information?
- Go backward: What would a step just before the final solution look like? What would that step involve?
- Play and explore: What are you given? What other questions could you answer with the information given?
- Simplify: Can you simplify the set-up so that you can solve it? What if you ignored one of the

assumptions or added additional assumptions? What if you were given specific numbers? Could you solve the problem then?

- Talk to your fellow class mates.
- Attend TA office hours.
- Go to the ELC.
- Ask the Instructor after class or during office hours.

Once you have consulted a solution, discovering the solution on your own is an option forever lost – as is any insight you would have gathered along the way. In the midterms and in the final you will not be tested on whether you can replicated the solutions to practice problems – but whether you have mastered the skill of economic analysis that the practice problems encourage you to practice.

Weekly Quizzes

Between most classes, you will be asked to complete a short quiz on Blackboard, including approx. 5-8 multiple choice questions on the material from the *previous* class.

Your performance on these quizzes gives me an ongoing feedback what and how much from lectures you retain. It also helps you to quickly identify any emerging gaps in your understanding.

The quiz in week 1 will be a quiz on the syllabus.

Quizzes will be available from Thursdays at 6pm through Tuesdays at noon. Once started you have typically 60 minutes to complete the quiz. Even if you log out or lose your internet connection, the time is still running. If you log in again at a later time, you will only have time left to answer questions if you are still within 60 minutes of your start time. No make-up, alternative assessment, extension of the deadline, etc. will be given for any reason, including (but not limited to) being out of town, not having an internet connection, technical difficulties (browser problem, power outage, laptop malfunction, software issue, etc.), lateness, forgetting about it, typing errors, improper rounding, failing to type your answer in the requested format, or unexpected interruptions after starting the quiz. Start each portal quiz well before the deadline and when you have the uninterrupted time needed to finish it.

Overall, the quiz questions will accumulate to approx. 53 points. You can earn up to 50 points for quiz answers. Thus giving you some wiggle room should you miss one quiz or not get all answers correct.

Reasonable collaboration in answering quiz questions is allowed and encouraged. However, your questions may vary from others so make sure you *discuss* your answers and not just copy someone else's.

After the submission deadline, you can see the questions, correct answers, and your answers by going to My Grades, clicking on the title of the quiz (which will open the assessment details in a new window), and then clicking on your grade (under Calculated Grade).

Quick Tests

In two tutorials you will write a short, approx. 15 minute test focusing on some of the skills fostered in the preceding tutorials. Each of the two quick tests is worth 25 points. No make-up tests are offered. More details will be announced in the tutorials.

Bonus Quiz – Are you well-prepared for Eco204?

The main prerequisite for this class is Eco100 and Math133. Indeed, you must have achieved a 67% grade in both to enroll. To give both you and me a better sense of how much of Eco100 and Math133 you still remember, there will a Review Quiz on the second Sunday after classes start, covering Eco100 (90 questions) and Math133 (10 questions). The topics to be covered include (but are not limited to): demand & supply, elasticity, consumer choice, firm's costs and supply choice, competitive industry, monopoly, welfare analysis, public goods and common property, limits, differentiation, integration.

The Quiz will be available on the BB portal for 24 hours from **midnight to midnight on Sunday, September 27th**.

You will have 90 minutes to complete the Quiz. The Quiz is worth an additional 50 points, which are assigned as follows:

- If you correctly answer 75 questions or more you will be awarded that 50 points.
- If you answer fewer than 75 questions correctly, but 50 or more questions correctly you will be awarded 25 points.
- If you answer fewer than 50 questions correctly, you will receive no points.

Below that, no marks are awarded. These cut-offs are firm. If you answer 74 questions correctly, you will be awarded 25 points. If you answer 49

questions or fewer, you will not receive any points. No exceptions will be made.

After the quiz's deadline you can see immediately your total quiz score, and (usually with a delay of 24-48 hours) your points on the BB Grade Centre.

The quiz score is a good indicator of how well prepared you are for Eco204. If you score is less than 75, you want to especially make sure you are not falling behind right from the start of the course.

In preparation for the Quiz, the first Eco204 tutorial will provide an opportunity to work on Eco100 practice questions. You may also want to review your notes from Eco100 and Math133.

Note that the time (90 minutes) starts running once you start the Quiz. Even if you log-out or lose your internet connection, the time is still running. If you log-in again at a later time, you will only have time left to answer questions if you are still within 90 minutes of your start time. It is your responsibility to make sure you have a working internet connection, enough battery power in your laptop, etc.

No make-up, alternative assessment, extension of the deadline, etc. will be given for any reason.

Course Outline

Note: I reserve the right to change the outline in order to meet the needs of this class.

Week	Note	Lecture	Tutorial
1		1 Introduction	Review Eco100
2	Review Quiz	2 Modelling Choices	Intro to your Writing Assignments
3	UW1	3 Building the Toolbox	Review: Differentiation and Integration
4		4 Applications: Demand Curve, Engel Curve, Compensated Demand Curve; Elasticity; Inferior/ normal/ ordinary/ Giffen goods	Optimization problems, constrained and unconstrained
5		5 Applications: cross-price elasticity, Slutsky equation, Hicks- and Slutsky decomposition, Income and substitution effect	Working with graphs - analyzing the impact of gifts, rebates, taxes, etc.
6	ES1	6 Expand usage – across states of the world: Pay-off under uncertainty, Risk exposure, Risk-Return Preferences, Characterization of Risk-Aversion	Parametric representation
7		7 Measuring how consumers are doing: Compensated/ Equivalent Variation, Consumer Welfare, Price indices; Empirical Methods	Income and substitution effect: Applications
8	UW2	8 The firm as profit-maximizing entity	Review
9	Midterm 1	Review	Office Hours
10		9 Cost functions: average, total, marginal, sunk, recoverable, variable, fixed	Math as a language 1 - modelling
11		10 Competitive Industry in the short-run	Math as a language 2 - logically
12	ES2	11 Competitive industry in the long-run: incl. long-run supply curve for increasing/ decreasing cost industries	Producer Theory: Comparing - SR - LR - Monopoly
		Winter break	

13	QT 1	12	Monopoly: optimal pricing and demand elasticity, Lerner index as measure for market power, natural monopolist, welfare analysis of regulation	Producer Theory - Application: Sistine Chapel Modelling the real world
14		13	Price discrimination and Market Power: first, second, third, two-part tariffs, horizontal mergers, vertical mergers to price discriminate, vertical mergers to avoid double mark-up, retail price maintenance	Review
15	Midterm 2		Review	Office hours
16		14	Static Games: Normal form, Prisoners' dilemma, Cournot game, dominant strategies, best response, pure and mixed strategy Nash equilibria, "Rule of odd"	Game Theory - The game of cool Jeans, review of static games, building up to n players
17	WA: Model	15	Dynamic Games: Extended form, backward induction, subgame perfect equilibria, equilibrium path, imperfect information	Scientific Inquiry - Experimenting with Numbers Feedback - to others and yourself
	Feedback	University closed		
18	QT 2	16	Imperfect Competition and implicit collusion: conditions that make collusion more likely to be sustainable, actions off the equilibrium path matter, being better off by making yourself strategically worse off, deterrence of entry	Game Theory - Bertrand Game, Draft Game, simulation - review of best response and backward induction
19	WA: Draft	17	Asymmetric information: Conditions under which free market maximizes welfare, Moral hazard, adverse selection, potential second-best solutions, application to health insurance market	Asymmetric information: Applications
20		18	Externalities: policies to mitigate externalities, Coase' theorem, transaction cost, moral hazard in the presence of transaction cost	Review
21	MT 3		Review	Office Hours
22		19	Introduction to contract theory: simple examples of principal (profit-maximizing) – agent (utility maximizing) problems with observable/unobservable effort, performance pay, monitoring	Revising your own writing
23	WA: Final submission	20	Extension: Topic of choice	Eco20X - Summary
24			Review and The Art of Solving T/F questions	Practice T/F questions