

University of Toronto: Department of Economics

ECO100Y L0201: Principles of Economics

Summer, 2016: TWR 2-4PM in MB128

Kieran Furlong: k.furlong@utoronto.ca

Office Hours: TR 12:10-12:40PM and 5:20 – 6:00PM in MB128

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

EVALUATION: TESTS AND THE MIDTERM in EX200

Test 1 Multiple Choice **June 3** (Friday) 10:00 – 11:00 AM 12.5% of Grade

Midterm Diagram/Calculation **July 8** (Friday) 10:00AM – Noon 25% of Grade

Test 2 Multiple Choice **July 29** (Friday) 10:00 – 11:00 AM 12.5% of Grade

Final Exam Final Exam Period (**Aug 9-15**) 50% of Grade

Tests cover material since the previous test/midterm but the Midterm covers Micro from the beginning of the course and the final exam covers the whole course. Students who miss any exam must email me a scanned copy of a medical/funeral document within one week of the exam to write a make-up on the whole course from **10–11:30AM on August 5**.

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.

LECTURE AND READING SCHEDULE

May	10	Introduction and Basic Definitions: Chapter 2 and Appendix Chapter 1
May	11	Production Possibilities Curves. Ch.1, particularly 4-9
		Problem Set: Production Possibilities
May	12	Demand: Ch. 3, 55-64; Supply, 64-68
		Problem Set: Demand and Supply
May	17	Equilibrium Price and Quantity. Ch. 3, 68-77
May	18	Government Price Controls. Ch. 5, 98-113 ; Ch.14: 346-348
		Problem Set: Market Equilibrium and Price Controls
May	19	Elasticity Ch. 4, 81-90, 95-98
May	24	Elasticities and Tax: Ch. 4, 92-95
		Problem Set: Elasticity and Per Unit Taxes
May	25	Consumer Choice: Budget Lines & Indifference Curves. Ch. 6 Appendix, 143-4
		Problem Set: Consumer Choice
	26	Consumer Equilibrium, Derivation of Demand. Ch. 6 Appendix, 148-50
		Problem Set: Derivation of Demand
May	31	The Firm and Short-run Product. Ch. 7, 153-66
June	1	Short-run Cost. Ch. 7, 166-173
		Problem Set: Short-run Cost
June	2	Short-run Competitive Equilibrium: Ch. 9, 200-214
		Problem Set: Short-run Equilibrium
June	3	Test #1: 10:00AM – 11:00AM

ECO100Y L0201: Summer, 2016

June.	7	Long-run Cost. Ch. 8, 177-185
	8	Competitive Long-Run Equilibrium. Ch. 9, 215-220
		Problem Set: Long-run Equilibrium
June	9	Monopoly: Marginal Revenue and Profit Maximization. Ch. 10, 227-230
		Problem Set: Monopoly
June	14	Monopoly Equilibrium. Ch. 10, 230-34
June	15	Natural Monopolies and Cartels: Ch. 10, 237-241
		Problem Set: Monopoly
June	16	Economic Efficiency. Ch.5: 113-120, Ch. 12: 281-296
		Problem Set: Efficiency
June	28	Externalities. Ch. 16, 391-397; Ch. 17, 418-423; Ch. 18: 454-457
June	29	Gains from Trade, Ch. 34: 846-858; Comparative Advantage, Ch. 33, 823-839
		Problem Set: Comparative Advantage
		MACROECONOMICS
June	30	Business Cycles and Unemployment. Ch. 19, 473-483, Ch. 31, 775-796
July	5	Price Indices and Inflation. Ch. 19, 484-493; Ch. 20: 509-511
		Problem Set: Price Indices and Unemployment
July	6	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	7	Aggregate Expenditure (AE): Consumption (C). Ch. 21, 518-527
		AE: C + I (Investment) and Equilibrium. Ch. 21, 527-541
		Problem Set: Consumption/Investment
July	8	MIDTERM EXAM 10:00AM – 12:00 Noon
July	12	Equilibrium: $C + I + G + X - IM = Y$ & Multipliers. Ch. 22. 545-559; Appendix
		Problem Set: MacroModel
July	13	Government Deficits. Ch. 32: 801-809
July	14	Money and Banking. Ch. 27, 664-671
		Money Supply. Ch. 27, 678-685
		Problem Set: Money Supply
July	19	Money Demand. Ch. 15: 361-367; Ch. 28: 690-699
July	20	Equilibrium Money and Interest Rate. Ch. 28, 700-703
		Problem Set: Money Demand/Supply and Equilibrium
July	21	Bank of Canada and Monetary Policy. Ch. 29, 719-733
July	26	Money and GDP Equilibrium. Ch. 15: 367-371
		Problem Set: Money and GDP Equilibrium
July	27	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
July	28	Long-run Aggregate Demand/Supply. Ch. 24; Ch. 28: 707-714; Ch. 30: 756-61
		Problem Set: Aggregate Demand/Supply in the Long-run
July	29	TEST 2: 10:00AM – 11:00AM in EX100
August	2	Balance of Payments and Flexible Exchange Rates. Ch. 35, 873-878
August	3	Fixed Exchange Rates and Monetary Policy; Ch. 35, 878-889
		Problem Set: Balance of Payments and Exchange Rates
August	4	Review
August	5	Make-up Exam (for all missed Exams): 10:00 – 11:30AM