Professor Colin Stewart   Office Hours: Wednesdays 4:00–5:00pm
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ECO2030H1S: Microeconomic Theory II (PhD), Unit 2
Winter 2018

Classes: Mondays and Wednesdays 2:10–4:00pm, WO25 and UC330

Tutorials: Thursdays 4:10–6:00pm, HA316

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:
Your mark for this unit will be 90% of your mark on the final exam plus 10% of your average on the problem sets. 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. Problem sets will be (approximately) weekly.

Tutorials: The TA for the course is David Walker-Jones. He will hold five tutorials, one each week starting on March 8th.

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 it.

Course content and announcements will be posted on Blackboard.

Outline of Topics:
1. Signaling: MWG13, G4, S4
2. Moral hazard: MWG14, S5, LM4–5
3. Adverse selection and screening: MWG13, S2–3, LM2–3
4. Mechanism design: MWG23
5. Social choice: MWG21
6. Matching