

# ECO206Y1 Microeconomic Theory

## Fall 2018 – winter 2019

Sections L010, L5101 – Instructor : Patrick Blanchenay

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### Key Information

Section	Lecture (you may attend any)	Joint Tutorials
L0101	Thurs, 11am-1pm in NL6	Choose 1-hour slot from Wed, 6-8pm in either - AH400 or MP203 (fall) - NL6 or MP203 (winter)
L5101	Thurs, 6-8pm in MP203	

**Course site:** [Quercus](#) (all announcements and material)

**Piazza:**

<https://piazza.com/utoronto.ca/fall2018/eco206y1/home>

**Instructor:** Patrick Blanchenay

**Office hours:** Thursdays 3-5pm in room GE 352 (150 St-George st); rescheduling on Quercus.

**TA:** to be announced

**Communication:** see [Communication](#) below

All announcements will be made using Quercus. All material will be posted on Quercus.

### Description

**ECO206** is an intermediate level course in microeconomic theory for students at the University of Toronto (St-George campus). Microeconomics is the swiss-knife of economics, and constitutes the foundations of almost all fields of economics. What are the effects of a carbon tax on gasoline price? Why are there so few airline companies but so many apple producers? Why did Ontario choose a monopoly (LCBO) to manage alcohol distribution? Why are touristic restaurants worse than restaurants for locals? It provides the tools to model, understand and predict many real-world phenomena. Students learn to choose appropriate models to analyze specific questions in a systematic way, solve them using reasoning and calculus, and interpret the results to answer their initial questions.

## Contact information

Instructor: Patrick Blanchenay

Email: please see [Email policy](#) below

Drop-in office hours (term time only): Thursdays 3-5pm in room GE 352.

TA: TBC

Email: please see Email policy below

## Course Prerequisite

The course prerequisites and exclusions are listed here: <https://fas.calendar.utoronto.ca/course/eco206y1> .

I cannot waive prerequisites. An administrator will remove anyone missing prerequisites.

## Learning Outcomes

1. Translate between plain English and economic terms and concepts: identify key information regardless of wording, and distinguish incorrect statements from correct ones.
2. Use available information to select and apply an appropriate model in order to analyze a potentially new situation, potentially by suitably modifying a model analyzed in class.
3. Solve a specific model in a clear and rigorous way, using precise but concise statements and arguments to explain your steps of reasoning, and calculus whenever is necessary.
4. Interpret the quantitative results of a model in plain English, as it relates to the question it was used to answer.
5. Explain how the results of a model would have differed in a slightly different setting, or with different starting assumptions.
6. Assess whether an economic statement is true or false by drawing from the course, and craft concise, clear and logically coherent written arguments in support of your assessment.

## Textbook and iClicker remote (required)

The required textbook is *Microeconomics: Theory and Applications with Calculus 4th edition*, by Jeffrey M. Perloff (published by Pearson, ISBN 978-0-13-416738-1). The textbook will be available at the UofT bookstore, as well as some online platforms. You may prefer to purchase the online version only. We will **not** use the EconLab portal. Anything assigned from the textbook is fair game for the tests and exam, including appendices, exercises, etc. You may use a previous edition at your own risk.

Caution: Perloff has written several intermediate microeconomics textbooks. Make sure to get the correct one.

You are free to supplement with other textbooks of your choice; there are many intermediate microeconomics textbooks available at the library Course Reserves. One textbook that provide EXCELLENT intuition and explanations is Nechyba's "*Microeconomics: An Intuitive Approach with Calculus*" (published by Cengage Learning). The first edition is available at Robarts library in the Course Reserves, and the second edition should be available at UofT bookstore, and other online platforms. It discusses concepts and difficulties at length; as a result, it is great if

you are missing the intuition behind things we see in class; however, it is quite exhaustive and sometimes more difficult to search for concise information.

## Lectures and tutorials

The course is built on weekly 2-hour lectures and one-hour tutorials.

### *Lectures*

You may attend either the Thursday 11am and Thursday 6pm lecture. Lectures use PowerPoint, and require your participation using iClicker remote (see [Marking scheme](#)). The lecture slides are posted on Quercus before class.

**Take notes: slides are not notes.**

To limit distractions to you and your fellow students, laptops are not permitted in class.<sup>1</sup> If you need to use a laptop for academic reasons, please email me within the first two weeks of the course; you will be asked to sit in the first row of the lecture theatre.

### *Tutorials*

Tutorials last one hour. They let you apply concepts seen in class to solve exercises, or train in skills that are not directly accessible from the textbooks, such as written economic reasoning. You may attend any of the one hour slots each week, in any of the sessions. Tutorial material is examinable.

**Midterm tests use the full two-hour tutorial slots.**

### *In-class behaviour*

To keep lectures and tutorials as useful and productive as possible, I ask you to keep a professional and adequate attitude in class, in order to limit disruptions to other students (and to myself or the TA).

This includes: arriving on time (or being discrete if you if you have to enter the room late), not chatting with your classmates unless told to do so, not texting/messaging.

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<sup>1</sup> Studies have shown that laptops encourage multi-tasking and distraction; even when used solely for note-taking, [they decrease students' learning](#).

## Marking scheme

Evaluation for the course will be a mix of tests, assignments, participation, and a final exam. The breakdown is as follows. The final course grade will be rounded to the nearest integer, with no exception.

Evaluation	Date	Percentage of final grade
Midterm test #1	Wed 21 Nov 2018, 6-8pm	15%
Midterm test #2	Wed 30 Jan 2019, 6-8pm	15%
Midterm test #3	Wed 20 Mar 2019, 6-8pm	15%
Writing Assignment #1	Posted: 22 Oct 2018, Due: 01 Nov 2018	10%
Writing Assignment #2	Posted: 21 Feb 2019, Due: 04 March 2019	10%
iClicker Lecture Participation	Lectures 2-24	5%
Final Exam	TBD by <a href="#">A&amp;S</a>	30%

### **Midterm Tests and Final Exam (75%)**

**For term tests and the exam, bring your TCard, pencils, erasers, and a non-programmable calculator.**

The final exam is cumulative. For the test and the final exam, one or more questions (possibly with multiple parts) is planned to require a longer written answer where you assess the validity of a statement by using economic reasoning.

Tests are scanned and marked using Crowdmark; this means that you can write using pencil and eraser if you prefer. During the test you must show your student ID and sign the “signup sheet”. Stay seated until all tests have been collected and counted. To avoid disruption, you cannot leave the room in the last 15 minutes.

The midterm test and exam begin at the official start time. You must be in the exam room no later than 10 minutes *before* official start time. You will not be given extra time if you are late.

### **Assignments (10% each)**

There are two assignments to hand in. Assignments involve economic writing, and will ask you to analyze a specific (open) question using the concepts and models seen in class, and provide a rigorous, concise and logically coherent economic argument. You will be graded on the quality and rigour of your answers, with a big emphasis on clarity.

For every assignment, you may be asked to submit documents to both Quercus and TurnItIn, a plagiarism detection software (see section on [Turnitin.com](https://www.turnitin.com)). Assignments are only considered submitted once every document has been submitted to all the correct places. Late submissions incur a penalty of 10 points per 24hr, starting immediately at the deadline. Assignments are posted well ahead of time; it is your responsibility to ensure you submit everything by the deadline; give yourself ample time to deal with potential Internet/Quercus/laptop issues.

### ***iClicker class participation during lectures (5%)***

iClicker questions encourage you to prepare for class, talk and reason about microeconomics, and identify misunderstandings. Complete readings before class, as some questions will likely refer to textbook material.

Like any class participation, quality matters. Correct iClicker responses earn full marks. Incorrect answers earn partial marks. Each unanswered question earns 0 marks. Point values can vary by question. You may attend L0101 or L5101: your iClicker will work.<sup>2</sup>

It is your responsibility to: correctly register your iClicker, bring it to class, arrive on time, and stay for the entire class. You may collaborate with your classmates: in fact, you are encouraged to.

**Every lecture, except Lecture 1, counts for marks. The lowest 3 lectures will be dropped.** At the end of the course, I will post your overall iClicker mark in MyGrades on Quercus.

You may buy a used iClicker, borrow an iClicker or share an iClicker with anyone that is *not* currently taking ECO206 with me. You must use an iClicker remote: iClicker REEF is not permitted. To register (or re-register) go to our portal site and follow the link "i>Clicker Registration" on the left tool bar. If your iClicker's remote ID is no longer legible, see me before or after class (we can use my iClicker base station to read your remote's signal and recover its ID). If obtaining an iClicker remote is a financial hardship, please see me in office hours right away.

A green light illuminates on your iClicker remote when your response is received by an iClicker base: make sure to vote only while voting is active in our class. We use frequency AA. A red light (or no light) indicates a problem. The last answer you press (while voting is still active) is graded. **Nearly all strange remote behavior can be fixed by replacing ALL batteries with brand new ones.**

**How can I check if I am earning marks with my iClicker?** There are TWO separate requirements: (1) attend class, answer while voting is active, and get a green light and (2) register your remote.

Check (1) during class. To check (2), click "i>Clicker Registration" in Quercus. Note: Once you register, you will get credit for all earlier participation (i.e. even before you had registered).

**What happens if I forget my iClicker?** You will earn zero points for that lecture. In all likelihood, the score for that lecture will be one of the 3 lowest scores, and will be dropped.

**You may only enter responses yourself using your own properly registered iClicker.** Cheating on any question jeopardizes the entire iClicker Participation mark (5 percent of the course grade). All cases will be reported to the Economics Department and to the Office of Student Academic Integrity. A student that "helps" by operating someone else's remote can expect an equally harsh penalty.

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<sup>2</sup> If you attend the same lecture twice, only the first mark will count.

## Missed term work

[This section applies to *term* work. Any accommodation for the final examination requires a student to formally petition A&S: see <http://www.artsandscience.utoronto.ca/ofr/calendar/Rules & Regulations.html>]

You are expected to complete all required work as scheduled in the [Marking scheme](#) section.

**Assignments** dates and instructions are posted well in advance, and it is your responsibility to ensure adequate time to complete the work and deal with any issues, including technical issues. Failure to submit an assignment will result in a grade of zero. Assignments are considered submitted by the time all the required files have been uploaded in the correct format to both Quercus and TurnItIn according to the assignment instruction. Assignments that are submitted late will suffer a penalty of 10 points per day of lateness, starting immediately at the deadline. Make sure to allow ample time for submission before the deadline; excuses such as: “the website is slow”, “I have a problem with my computer”, “I have had a stomach bug on the last day before deadline”, “I forgot to upload one of the files”, etc. are not valid excuses. These rules exist to limit unwarranted individual requests, which take up valuable time that I could spend improving the course content.

### ***Policy on Missing a Midterm test***

Unpredictable important circumstances sometimes get in the way of your university life, and might force you to miss the midterm. Unfortunately, students who feel unprepared for a test might take advantage of this excuse, and this creates a moral hazard problem. This is why the policy exists; please read it in full.

1. A student who does not feel able to write a test should (1), unless the circumstances make this impossible, contact Professor Blanchenay **before the end of the test**, by e-mail at [patrick.blanchenay@utoronto.ca](mailto:patrick.blanchenay@utoronto.ca), and (2) follow the protocol below to request accommodation (i.e., an opportunity to write a make-up test) for the missed midterm. If you fail to contact the instructor before the end of the test but, in the opinion of the instructor, could have, or if you fail to provide adequate proof, then your request for accommodation will be denied. If you anticipate any reason why you should be unable to complete the midterm test (e.g. international sports competition), you should contact me well in advance. It is a necessary (but not sufficient) condition to get an accommodation.
2. If your documentation is approved by the instructor, you will be granted an opportunity to make-up for the missed midterm. Any accommodations are at the sole discretion of the instructor and may involve an oral examination or a cumulative open-ended make-up test and/or may be contingent on performance on other term work and the final exam. To preserve fairness with other students, any extra work due to accommodations (make-up test or other) would take into account the extra preparation time and be graded accordingly. For in-person make-up (e.g. written or oral test), you are expected to be reasonably flexible and make arrangements to be available; the only exceptions would be a *documented* class or test conflict. There will be no make-up opportunities for a missed make-up.
3. If you miss the make-up test or if your request for accommodation for the missed midterm is denied, you will be assigned a score of 0% on your midterm.
4. **Irrespective of the reason**, you must provide Professor Blanchenay with a written (typeset) and signed letter from yourself that provides

- a. the reason for the missed test and an explanation for how your problem/issue affected your ability to write the test (e.g., describe the nature of your health problem),
- b. the list of courses that you are currently taking, with the names of your professors and their contact information,
- c. the list of any tests/assignments with due dates in the 4 days before and the 4 days after your test in those courses (please provide due dates and their weights), and a statement on whether you were able to complete those assignments and when,
- d. a statement on whether you were able to attend any classes on the day of your test.

The last sentence of your letter must be: "I understand that it is a punishable academic offence to present false information in support of my request for accommodation for missed term work."

5. If you are ill, you must additionally provide a fully completed University of Toronto Medical Certificate, completed by a qualified medical doctor (e.g., not an acupuncturist, chiropractor, or other health care professional). This certificate must (i) state that you were unable to write the test and (ii) state the medical condition that prevented you from writing the test.

Documentation citing non-essential, preplanned medical procedures will not be acceptable.

The doctor's OHIP registration number must be provided and the doctor must indicate a phone number at which I can reach him or her. By submitting a medical certificate you also authorize me to contact your physician and discuss your case with him or her.

6. The accompanying documentation must be in original (not scanned, copied, or emailed) or a certified copy.

7. Your letter and your documentation must be presented **in person** with a valid U of T student card within a week of the missed test (that is up to the following Tuesday) at the Department of Economics' reception at 150 St. George Street (and you must e-mail me to confirm that you have submitted the note). Beyond the week after the test, further documentation will be required (e.g., confirming the continuing illness).

For ongoing injury, illness, or personal/family problems **you must also contact your College Registrar immediately**. For any extraordinary circumstances, I will consider whether accommodations can still meet all course requirements or whether the student must be advised to drop the course and consider retaking it when able to complete required work.

## Calendar

The authoritative calendar is the one posted on the Quercus course page.

The due dates are definitive, but topics might be adjusted; all announcements will be made on Quercus.

# Student Well-Being and Academic Accommodations

## *Well-Being*

University of Toronto aims at giving you an enriching learning experience, and has a number of resources to help you stay healthy and be well: <http://studentlife.utoronto.ca/bewell>

However, sometimes things do not go as planned. **In case of emergency, call 911.** For ongoing injury, illness, or personal/family problems, or if you feel you are falling behind in your courses, you must contact your [College Registrar](#) immediately. The earlier you do, the easier it is to find solutions.

There are also a number of resources in case you are feeling distressed:

<http://studentlife.utoronto.ca/feeling-distressed>

Once again, the earlier you reach out, the easier it is to remedy the situation and find solutions. Do not wait until the end of the academic year.

## *Ongoing Learning Disability or Accommodation Requirement*

Students with diverse learning styles and needs are welcome in this course. If you have an ongoing disability issue or accommodation need, you should register with Accessibility Services (AS) (<http://accessibility.utoronto.ca>) **at the beginning of the academic year.** (Without registration, you will not be able to verify your situation with your instructors, and instructors will not be advised about your accommodation needs.) AS will then assess your medical situation, develop an accommodation plan with you, and support you in requesting accommodation for your course work. Remember that the process of accommodation is private: AS will not share details of your condition with any instructor, and your instructors will not reveal that you are registered with AS.

For more information on services and resources available to instructors and students, please contact Tanya Lewis, Director, Director of Academic Success and Accessibility Services, at (416) 978-6268; [tanya.lewis@utoronto.ca](mailto:tanya.lewis@utoronto.ca). Accessibility services: <http://studentlife.utoronto.ca/as/>

## *Accommodations for Religious Observances*

As a student at the University of Toronto, you are part of a diverse community that welcomes and includes students and faculty from a wide range of backgrounds, cultural traditions, and spiritual beliefs. For my part, I will make every reasonable effort to avoid scheduling tests, examinations, or other compulsory activities on religious holy days not captured by statutory holidays. Further to University Policy, if you anticipate being absent from class or missing a major course activity (like a test) due to a religious observance, please let me know as early in the course as possible, and with sufficient notice (at least two to three weeks), so that we can work together to make alternate arrangements.

## *Academic Integrity*

All students, faculty and staff are expected to follow the University's guidelines and policies on academic integrity. For students, this means following the standards of academic honesty when writing assignments, citing and using source material appropriately, collaborating with fellow students, and writing tests and exams. Ensure that the work you submit for grading represents your own honest efforts. Plagiarism, representing someone else's words as



your own or submitting work that you have previously submitted for marks in another class or program, is a serious offence that can result in sanctions. Speak to me or your TA for advice on anything that you find unclear. Also, see the U of T writing support website at <http://www.utoronto.ca/writing>. Consult the Code of Behaviour on Academic Matters (<http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>) for a complete outline of the University's policy and expectations

Potential offences include, but are not limited to:

- In papers and assignments:
  - Using someone else's ideas or words without appropriate acknowledgement. This includes verbatim copying of any lecture notes distributed by the instructor.
  - Submitting your own work in more than one course without the permission of the instructor.
  - Making up sources or facts.
  - Obtaining or providing unauthorized assistance on any assignment.
- On tests and exams:
  - Using or possessing unauthorized aids, including smartphones.
  - Looking at someone else's answers during an exam or test.
  - Misrepresenting your identity.
- In academic work:
  - Falsifying institutional documents or grades.
  - Falsifying or altering any documentation required by the University, including (but not limited to) doctor's notes

I encourage you to pay close attention to these sections on Perils and Pitfalls <http://academicintegrity.utoronto.ca/perils-and-pitfalls> and Smart Strategies <http://academicintegrity.utoronto.ca/smart-strategies>

### **Turnitin.com**

Normally, students will be required to submit their course assignments to Turnitin.com for 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.

## **Communication**

### **Piazza**

We use Piazza ( <https://piazza.com/utoronto.ca/fall2018/eco206y1/home> ) to facilitate communication.

To register, go to : [piazza.com/utoronto.ca/fall2018/eco206y1](https://piazza.com/utoronto.ca/fall2018/eco206y1)

The TAs and I periodically check Piazza to ensure proper usage, flag some postings, and possibly answer some questions. However, Piazza's emphasis is on student-to-student Q&A. Questions can be made anonymous to other students.

Piazza is a complement to face-to-face interactions in office hours, class, TA tutorials / aid centres, and study groups. Piazza has several advantages over email; first, it promotes student engagement by encouraging you to

answer other students' questions, an excellent way of testing your understanding of the material; second, it allows questions/answers to be shared to all students, who can benefit from this positive externality.

## **Email**

Email is not an appropriate forum for discussing course material details, which are better addressed on Piazza or through office hours. That said, email can be helpful on occasion, and within limits and we will try to reply to email within 24 hours (except weekends) provided your question(s) can be answered with a one or two sentence answer.

Please keep in mind that answering email takes up valuable time that could be used more productively on improving the course. To limit this negative externality, we won't answer questions about information on the Quercus page (for example: test dates) nor questions about grades, nor questions about the course material (which should be posted on Piazza). Please do not send attachments and do not submit term work by email. **Always include [ECO206] in the title of *any* email. Emails that do not include this will be ignored.**

The instructor's email address is: [patrick.blanchenay@utoronto.ca](mailto:patrick.blanchenay@utoronto.ca)

The TA's email address is: *TBC*

Email checklist:

- ☐ Your email is sent from your University address.
- ☐ Title includes "[ECO206]" followed by the subject of the email.
- ☐ The message is straight to the point and no-longer than 10 sentences.
- ☐ Your email does not contain attachment, unless I had specifically asked you to send something.
- ☐ Your signature includes your Student number, and both the name you are usually addressed by, and your ACORN name if it differs from the name you go by.

## Frequently Asked Questions (FAQ)

### ***Is there a lot to memorize?***

The course will expose you to new concepts and methods; microeconomics has its own vocabulary that differs from common English. It is important that you know precisely what is meant by “elasticity”, “cost function”, “credible threat”, and so on. However, the ultimate I test your understanding and mastery by asking questions that might be variations of models seen in class or in the study guides. Memorization is not sufficient.

### ***How do I do well on this course?***

Work regularly and practice as much as you can. This course is not easy. It makes heavy use of abstract thinking using mathematical notation, and logical reasoning; and new material arrives fast. To do well, you need to make sure you understand the material well; the only way to test whether you really understand some concepts is to practice: exercises, problem sets, textbook questions. The more you do the better. Make sure to write full answers to all questions, and problem sets you can set your hands on.

Make sure to use all the help you can: attend all lectures/tutorials, ask questions during office hours or on Piazza, check the textbook, other textbooks if needed, etc. I will not be holding your hand; take ownership of your own learning.

### ***Is the final exam cumulative?***

Yes, although you can expect that, with probability 0.9999, it will feature questions on topics that have not been seen in midterm tests.

### ***Is there extra work I can do to improve my grade?***

No.

### ***I have another test/assignment due the same week as our midterm/assignment, can I skip/submit late?***

See policy about [Missed term work](#) and [Policy on Missing the Midterm](#).