

ECO200Y1Y section L5101

Microeconomic Theory

Syllabus

Li Li

2021 Summer

Course Information

Time: Tuesdays and Thursdays 6:00pm-9:00pm (Toronto time)

Instructor: Li Li; Email: eco200.uoft.lili@gmail.com

- This is an **online course**.
- **The first lecture is live**, followed by **pre-recorded lectures**. If there is a need for a live lecture later, I will announce on Quercus at least 1 week in advance; these live lectures will be recorded.
- I will post **lecture videos** on **Quercus** (the *Modules* section).
- On **Thursdays 6:00pm-7:00pm** (Toronto time), I will hold an **office hour** answering students' queries for that week's lecture. The Zoom link will be posted ~15 minutes beforehand.
- This course uses **basic differential calculus**—for instance, you need to know $d \log(x)/dx = 1/x$, $dx^2/dx = 2x$. The math used in this course will be kept minimal and will be covered in class.
- The lecture notes of this course are **self-contained**.

KEY INFORMATION

EMAIL POLICY

- Please use the email address eco200.uoft.lili@gmail.com to contact me.
- **Please DO NOT USE Quercus' email system to contact me, even though I will use it for announcements.** Emails that are sent to Quercus or other

email addresses will be ignored. I make this email policy because Quercus does not offer a way to search emails by content. It would not be feasible for me to track emails from many students.

ENROLLMENT

- Enrollment is administered **centrally by the university**.
- Please check the **prerequisites** by yourself (See <https://fas.calendar.utoronto.ca/course/eco200y1>).
- I do not have the authority to make any exceptions regarding the prerequisites.

WHERE TO ASK QUESTIONS?

You can first use the **Quercus discussion board** to ask questions. The TA will be responsible for answering your questions. You can also email the TA. If there are **further doubts**, you can send me email.

GRADING POLICY

Assessment	Coverage	Weight
Problem Set 1	Lectures 1-4	5%
Problem Set 2	Lectures 5-8	5%
Problem Set 3	Lectures 9-12	5%
Mid-Term Assessment (Lecture 12 class time)	Lectures 1-12	25%
Problem Set 4	Lectures 13-16	5%
Problem Set 5	Lectures 17-20	5%
Problem Set 6	Lectures 21-24	5%
Problem Set 7 (Due in Exam Period)	Essay	20%
Final Assessment (Exam Period)	Lectures 13 - 24	25%
Total		100%

Each assessment (Mid-Term/Final) has only ONE version. Past experience suggests that offering two versions of an assessment induces **cheating**. This would not be fair to the honest students.

MISSING ASSESSMENT

The **assessments** are essential to this course.

Students who miss an **assessment** (mid-term/final) for reasonable reasons may initiate **petitions** to the Administration.

Some students may encounter **technical issues** in their submission of an assessment (mid-term/final). If that is the case, please **SEND ME YOUR SUBMISSION BY EMAIL IMMEDIATELY** at eco200.uoft.lili@gmail.com **AS A PDF**.

If you fail to do so, you may get a **zero** for that assessment.

There are no Make-up Mid-Terms/Final in this course.

TEXTBOOK

The main textbook for this course is:

Hal R. Varian, Intermediate Microeconomics (any edition); W.W Norton & Company, New York.

Assessment Submission

- The problem sets will be posted on **Crowdmark** as **Group Assignments**. I will also make an announcement on **Quercus** when I distribute a problem set.
- You can form your own group (up to 5 students). In your submission, remember to **write down the names and student numbers of all members**.
- To avoid **free-rider problem**, in case you find out that some member in your group is not working, you are free to switch to another group for the later problem sets.
- Students who are unable to find a group for Problem Set 1 should **notify the instructor. The instructor could help assigning them into groups**.
- All the members of a group would get the same mark for a problem set.
- The Final Assessments (Mid-Term and Final) have a similar format, except that **it is an individual assessment**.

Course Description

This course aims to offer students a basic introduction of **microeconomic (price) theory**. As the name of this course suggests, the theory explains economic behaviors using **prices**. Specifically, we study the following in this course:

1. Individuals (households and firms) make their decisions given a set of available alternatives.
2. The set of available alternatives are specified by prices in the market (and other things).

3. These individuals **optimize their decisions** given the market prices.
4. The optimal decisions of many individuals **determine the market prices** (despite that no individuals can control the prices).
5. Then, we **move beyond this basic framework of the market** and explore **monopoly** and **game theory**.

You should also refer to the **official course description** below:

Theory of markets and prices. Determination of prices through the interaction of the basic economic units, the household as consumer and as supplier of inputs and the business firm as producer and as employer of inputs. The pricing system as the mechanism by which social decisions and allocation of goods are made in a market economy.

Course Outline and Schedule

The below may subject to **minor adjustments**.

Lecture	Date	Coverage
F Semester		
Lecture 1	<2021-05-04 Tue>	Chapter 1: The Market
Lecture 2	<2021-05-06 Thu>	Chapter 2: Budget Constraint
Lecture 3	<2021-05-11 Tue>	Chapter 3: Preferences
Lecture 4	<2021-05-13 Thu>	Chapter 4,5: Utility and Choice
Lecture 5	<2021-05-18 Tue>	Chapter 6: Demand
Lecture 6	<2021-05-20 Thu>	Chapter 7: Revealed Preferences
Lecture 7	<2021-05-25 Tue>	Chapter 8: Slutsky Equation
Lecture 8	<2021-05-27 Thu>	Chapter 9: Buying and Selling
Lecture 9	<2021-06-01 Tue>	Chapter 10: Intertemporal Choice
Lecture 10	<2021-06-03 Thu>	Chapter 14: Consumer Surplus
Lecture 11	<2021-06-08 Tue>	Chapter 15,16: Market Demand, Equilibrium
Lecture 12	<2021-06-10 Thu>	Chapter 12: Uncertainty
S Semester		
Lecture 13	<2021-07-06 Tue>	Chapter 18: Technology
Lecture 14	<2021-07-08 Thu>	Chapter 19: Profit Maximization
Lecture 15	<2021-07-13 Tue>	Chapter 20: Cost Minimization
Lecture 16	<2021-07-15 Thu>	Chapter 21: Cost Curves
Lecture 17	<2021-07-20 Tue>	Chapter 22: Firm Supply
Lecture 18	<2021-07-22 Thu>	Chapter 23: Industry Supply
Lecture 19	<2021-07-27 Tue>	Chapter 31: Exchange
Lecture 20	<2021-07-29 Thu>	Chapter 34: Externalities
Lecture 21	<2021-08-03 Tue>	Chapter 24: Monopoly
Lecture 22	<2021-08-05 Thu>	Chapter 25: Monopoly Behavior
Lecture 23	<2021-08-10 Tue>	Chapter 28: Game Theory
Lecture 24	<2021-08-12 Thu>	Chapter 29: Game Applications

Doctor's Note

The only acceptable medical note is a fully completed **University of Toronto Verification of Student Illness or Injury form**. It must be original. The doctor's OHIP registration number must be provided on the note. The date on the medical note must correspond to the mid-term date within a reasonable margin of error.

Academic Misconduct

No form of academic misconduct would be tolerated. We will follow strictly the relevant rules and penalties as stated in the academic handbook.

Test Score Appeals

Please email me a short paragraph explaining why you should obtain additional points. If I find that the argument is persuasive, the assessment will be re-graded. **Your score can go up or down.**

Diversity and Inclusivity Statement

I consider this classroom to be a place where you will be treated with respect, and I welcome individuals of all ages, backgrounds, beliefs, ethnicities, genders, gender identities, gender expressions, national origins, religious affiliations, sexual orientations, ability - and other visible and non-visible differences. All members of this class are expected to contribute to a respectful, welcoming and inclusive environment for every other member of the class. When sending any communication or participating in discussions, remember that there are real people with feelings on the receiving end. Be kind and treat people the way you would like to be treated.

Time Zone

All times posted will be in local Toronto time. If you are in a different time zone, please make sure you are aware of Toronto time in relation to your timezone. Errors in calculations are not an acceptable reason to miss deadlines.