

ECO204Y1 Microeconomic Theory for Commerce Students

Fall 2021 – Winter 2022

All Sections – Instructor: Patrick Blanchenay

This version : 2021-09-06. [[Latest version](#)]

1	Key Information	1
2	Description	2
3	Course Prerequisite	2
4	Learning Outcomes	2
5	Textbook (required)	2
6	Course delivery	2
7	Marking Scheme and Important Dates.....	3
8	Missed Term Work	4
9	In Person, and Online Behaviour.....	5
10	Calendar & Topics	6
11	Student Well-Being and Academic Accommodations	6
12	Academic Integrity	7
13	Email & Communication Policy.....	8
14	Frequently Asked Questions (FAQ).....	9

1 Key Information

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

Discussion board: [Piazza](#)

Instructor: Patrick Blanchenay (GE348)

Instructor Office hours: Mon 9-10am, Tue 10.30-11.30am, or by appointment, see [Office hours schedule](#).

Head TA: Alexandra Ballyk

TAs Office hours : see [Office hours schedule](#).

Communication: see [Email & Communication Policy](#).

Live Workshops:

L0101: Mon 12pm-1pm OI G162 L0201: Mon 2-3pm MS3154

L0301: Tue 9-10am SS2135 L0401: Tue 1-2pm SS2117 L0501: Tue 2-3pm SS2117

NB: The weeks of Sep 13 and Sep 20 are fully online; workshops are held at the same time but on Zoom. Links on [Quercus](#).

Live Tutorials: attend a 1hr slot per week, see Quercus for [tutorial schedule](#).

NB: The weeks of Sep 13 and Sep 20 are fully online; not in-person.

2 Description

ECO204 is an intermediate level course in microeconomic theory for Commerce students at the University of Toronto (St-George campus). Microeconomics allows us to analyze real-world situations like an economist. 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. You will learn to choose appropriate models to analyze specific questions based on real-world situations, in a systematic way, solve them using reasoning and calculus, and interpret the results to answer their initial questions.

3 Course Prerequisite

The course prerequisites and exclusions are listed here: <https://artsci.calendar.utoronto.ca/course/eco204y1>
I cannot waive prerequisites. An administrator will remove anyone missing prerequisites.

4 Learning Outcomes

By the end of this course you will be able to analyze real-world situations using the toolbox of microeconomics:

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) real-world situation, by using or 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.

5 Textbook (required)

Microeconomics, 3rd Ed. by Goolsbee, Levitt, and Syverson, published by Macmillan Learning. Anything assigned from the textbook is fair game for the tests and exam, including appendices, exercises, etc. (You can use earlier editions, but it might be inconvenient.)

The [UofT bookstore](#) has cheaper specially negotiated prices. See [Required Textbook](#) page on Quercus.

6 Course delivery

The course is built around weekly modules, that involve both asynchronous individual activities, as well as synchronous meetings. You are expected to be on available for the timeslots in your timetable. The first two weeks of the course are fully online. All other weeks are expected to be in-person. For convenience, some elements (tutorials, office hours) will be held online throughout the year, but you will not be able to follow the course fully online. Importantly, tests and the final exam are held in-person.

6.1 Typical schedule

The typical schedule is as follows:

- On Thursday the previous week, the new module is published, containing the assigned readings, pre-recorded videos, potential material for the workshops and tutorials.
- Monday/Tuesday: attend workshop led by the instructor.
- Wednesday: tutorial.
- Friday: complete online quiz (some weeks, see schedule on Quercus).

6.2 Pre-recorded Videos (asynchronous, instructor), 1hr/week

Ahead of each calendar week, I publish pre-recorded (asynchronous) videos explaining core concepts. You must watch these videos before coming to in-person workshops

6.3 Workshops (synchronous, Mon-Tue, instructor), 1hr/week

We use one hour of the 2-hr timeslot traditionally devoted to lectures for a weekly 1-hour workshop led by the instructor. The workshop activities focus on putting concepts from the pre-recorded videos into practice. Economics takes practice, and this will be the occasion for you to apply the concepts.

You can attend any of the 5 workshops; but I will impose restrictions if attendance gets unbalanced. It is vital that you have watched carefully the pre-recorded videos before coming to the workshop.

6.4 Tutorials (synchronous, Wed, TAs), 1hr/week

Tutorials last one hour, and take place on Wednesdays. Teaching Assistants will lead the session, and help you put into practice the techniques necessary to do well in ECO204. This will involve calculus, reasoning, etc. 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; I will impose restrictions if attendance gets unbalanced. Tutorial material is examinable. Tutorial material is posted ahead of the tutorial; no answer key or notes are posted.

7 Marking Scheme and Important Dates

The marking scheme breakdown is given below. The final course grade will be rounded to the nearest integer, with no exception.

Evaluation	Date	Percentage of final grade
4 Term tests	Wed 03 Nov 2021 Wed 12 Jan 2021 Wed 09 Feb 2022 Wed 23 Mar 2022	15% each, best 3 out of 4 Total : 45%
1 Writing Assignment	Final submission Sun 28 Nov	12%
10 Online quizzes	Throughout the year, roughly every 2 weeks (See	16%
Cumulative Final Exam	TBD by A&S	27%

7.1 Term Tests and Final Exam (72%)

Term tests and the final exam are scheduled in person, and will be written on Crowdmark scripts using pen & paper. The coverage of each test will be announced in advance of the date. The final exam is cumulative.

The tests and exam include a mix of quantitative exercises and short written questions. Your grade will be based on your ability to solve specific quantitative models, explain and analyze their results; and your ability to use economic concepts to assess the validity of short statements, or provide short concise arguments on an open question. The quality of your writing will matter for your grade.

The term test with the lowest score is dropped. Each of the 3 remaining tests count for 15% of your final grade. The final exam counts for 27%.

7.2 Writing Assignment (12%)

There is one writing assignment to hand in. Your ability to use your economic knowledge to craft concise arguments is a vital professional skill. This assignment 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. This assignment provides with the opportunity to practice crafting and revising arguments.

You will need to submit your assignment by the due date to avoid late penalties. No extensions are granted for any reason (illness, computer problems etc.)

The grade of your final submission will be based on the quality and rigour of your answers, the use of content material, the logical flow of the arguments, all this with a big emphasis on clarity and conciseness.

7.3 Machine-graded Online Quizzes (16%)

There are 10 machine-graded online quizzes, that will be administered through Quercus, approximately every two weeks. The purpose of the quizzes is to regularly test your understanding & mastery of the course concepts. The material accumulates fast, often building on previous weeks' material. The quizzes encourage you to work regularly, and let you get a sense of how well you are understanding the concepts and techniques of the course. They are a complement to the more in-depth questions of term tests and writing assignments.

Quizzes are personal graded work: collaborating is not authorized, and carries severe penalties.

The quizzes are timed and contain a mix of multiple-choice questions and numerical questions (typically 6-7 questions, ~50mins). Each quiz is released on a Friday morning and must be completed within a limited timed window, before the evening. The course schedule will provide the exact dates.

The lowest two quiz grades are dropped. The remaining 8 quizzes each count for 2% of your final grade, for a total of 16%.

8 Missed Term Work¹

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

Writing assessments can be completed over a few days. Make-ups are needed when you are required to be at a particular place at a particular time, but cannot for unforeseen reasons. There are no extensions/make-ups for the

¹ 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

writing assessments for any reason (illness, computer problems etc.). If you do not submit the Writing Assignment, you get a grade of zero.

For the other term work, the marking scheme already includes multiple accommodations for missed term work. Dropping the lowest term test grade accommodates students that cannot write one term test due to illness, injury, personal/family problems, or extracurricular conflicts. It also accommodates students who write a test in difficult circumstances and do poorly. (Note: If you are going to be late to a test, you are expected to show up late and see me.) Similarly, dropping the lowest two quizzes accommodates students who are unable to take or do poorly on those.

The scheme acknowledges the continuous space of reasons for missing or doing poorly on a test or quiz, where most are hard to credibly document or are personal. It puts the responsibility on you to manage your time and life to succeed in the course. **You do not need to provide medical documentation or reasons for missing one term test, or two quizzes.**

Feeling unprepared to write a test or quiz is probably not a good enough reason not to do it. This is however, a sign that you may benefit from accessing academic skill resources to help you be prepared. These resources are listed below.

Accommodations for missing more work than already addressed in the previous paragraphs (missing more than one test or more than 2 quizzes) are extremely limited: (A) an ongoing and substantial injury, illness, or personal/family problem seriously affecting the student's ability to complete term work across all courses over an extended period of time, where the student's College [Registrar](#) writes to each professor after reviewing the documentation and meeting with the student; or (B) more than one conflict not related to injury, illness or personal/family problems where I am contacted by the student *very far in advance* (e.g. an athlete who notifies me in September of international competitions on Nov. 03 and Jan. 12). In these *limited situations*, I will consider whether accommodations can still meet all course requirements or whether the student must be advised to drop the course and retake it when able to complete the required work.

For ongoing injury, illness, or personal issues, **you are strongly encouraged to contact your College [Registrar](#) office for guidance and support.**

8.1 Academic Skills Resources

Even the most seasoned, organized and dedicated student can benefit from speaking with a Learning Strategist to explore setting achievable goals, preparing for tests and time management strategies. The You can schedule an appointment with a Learning Strategist at any time of the year. <https://studentlife.utoronto.ca/service/learning-strategist-connections/>

9 In Person, and Online Behaviour

To keep workshops 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 outside of group activities, not texting/messaging/browsing.

In addition, remember that UofT health guidelines apply. In particular, **unless you are exempt, face masks are mandatory in University's indoor spaces, including lecture halls.** See this guideline for details: <https://www.provost.utoronto.ca/planning-policy/joint-provostial-and-human-resources-guideline-on-facemasks-at-the-university-of-toronto/>

I also ask you to behave online the same way you would in person. Please be considerate and respectful in your interactions with the other students and the teaching team. UofT, this course, and myself, strive to offer a respectful and welcoming learning environment. You can help by ensuring that all interactions remain civil and respectful AT ALL TIMES. Intimidation or violence related to politics, religion, gender, ethnicity, or discussions unrelated to the course have no place here, and WILL. NOT. BE. TOLERATED. Appropriate sanctions will be pursued.

Contact me immediately (patrick.blanchenay@utoronto.ca) in case anything happens either to you or to one of your classmates.

10 Calendar & Topics

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.

- Demand and Supply
- Preferences and Utility
- Choice
- Comparative statics, normal and inferior goods, Elasticities
- Substitution and Income Effects
- Labour Supply
- Uncertainty; Intertemporal decision making
- Consumer Welfare
- Cost Minimization and Profit Maximization
- Perfect Competition in the Short and Long Run
- Monopoly, Monopsony
- Price Discrimination
- Static and Dynamic Game theory
- Oligopoly
- Product Differentiation
- General Equilibrium
- Adverse Selection and Moral Hazard
- Externalities
- Behavioural Economics

11 Student Well-Being and Academic Accommodations

11.1 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, even remotely: <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.

11.2 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) (<https://accessibility.utoronto.ca>) will 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 Accessibility Services at (416) 978 8060 or <https://www.accessibility.utoronto.ca>

12 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:

- For the writing assignment:
 - 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 tests and exams:
 - Using or possessing unauthorized aids, including smartphones.
 - Looking at someone else's answers during an exam or test.
 - Misrepresenting your identity.
- On the online quizzes :
 - Obtaining or providing unauthorized assistance.
 - Misrepresenting your identity.
 - Collaborating.
- More generally in an academic context:
 - Falsifying institutional documents or grades.
 - Falsifying or altering any documentation required by the University.

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>

12.1 Plagiarism Detection Tool

Normally, students will be required to submit their course essays to the University's plagiarism detection tool 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 tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the Centre for Teaching Support & Innovation web site (<https://uoft.me/pdt-faq>).

13 Email & Communication Policy

[Piazza](#), not email, is the appropriate forum for course-material/content questions. With approximately 900 students in the course, we must impose the following strict guidelines on email communications:

- Always use your UofT email address for any course-related activity, registration, or communication. Never use a personal email account for anything course-related.
- Do not send emails to the course staff's U of T/personal email accounts.
- Do not send messages from the Quercus Inbox. The course's Quercus inbox is not monitored.
- Any email must include your first name (as on ACORN), FULL NAME (capitalized, as on ACORN), and your Student number.

Questions about course-content/course materials?

[Piazza](#), not email, is the appropriate forum for discussing course materials or asking questions about the course content. We will NOT reply to e-mail inquiries that can be answered by utilizing the ECO 204 Piazza peer-to-peer discussion board nor inquiries that can be answered by reading the syllabus, websites, announcements, etc.

Questions about prerequisites/registration/medical notes?

Please contact your college registrar or Ms. Jenny Fan, the Economics-Rotman-Commerce Undergraduate Coordinator, at jenfan@chass.utoronto.ca.

Questions concerning missed course work?

Please see the specific policies in the section [Missed Term Work](#).

Re-grade requests?

Please, no emails. Use the re-grade request form for the corresponding assessment.

(For students registered with Accessibility Services) Questions about Accessibility Services Accommodations:

Do not send e-mails from the Quercus Inbox. Send an email from your U of T e-mail account to eco204.2021.22@utoronto.ca with the subject line: "ECO204, YOUR LAST NAME (capitalized), Your first name, Your student Number#". Please note: it may take up to three business days to reply to emails.

Questions/Issues/Matters of a Personal/Confidential Nature?

Do not send e-mails from the Quercus Inbox. Send an e-mail from your U of T e-mail account to eco204.2021.22@utoronto.ca with the subject line: "ECO204, YOUR LAST NAME (capitalized), Your first name, Your student Number#". Please note: it may take up to three business days to reply to emails.

13.1 Piazza

We use Piazza (https://piazza.com/utoronto.ca/fall2021/eco204y1_202122/home) to facilitate communication, in particular related to all questions to the course material.

To register, use the button on the left bar in Quercus or go here:

https://piazza.com/utoronto.ca/fall2021/eco204y1_202122

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 (but not to the teaching team).

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.

14 Frequently Asked Questions (FAQ)

14.1 *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, ultimately I test your understanding and mastery by asking questions that might be variations of models seen in class. Memorization is not sufficient.

14.2 *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.

14.3 *How much maths do I need to know?*

Maths is an important tool in economics, but there are only few techniques that you will encounter regularly. Being able to solve linear equation with one unknown, solving a system of two equations two unknowns, differentiating and interpreting the sign of the derivatives, and partial differentiation of a multivariate function. Ultimately what matters more is building your reasoning skills based on economic arguments.

14.4 *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.

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

No.

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

See [Missed Term Work](#).