
Eco 206Y1Y: Microeconomic Theory, Summer 2023

Prof. Turner, Department of Economics, University of Toronto

Course Description Microeconomics studies how individuals make choices and the patterns that result when they interact in a market. This course builds on ECO 101 concepts to develop a deeper, more nuanced, and more technical understanding. You will learn when and how to use the basic optimization tools of the field to answer questions. Math will help us get precise and discipline our logic. Writing will help us understand and communicate the reasoning and intuition behind the math. Our goal is to equip you with the methods and concepts that will help you be successful in upper-level courses and beyond. Microeconomics is best learned (and is a lot more fun) when you use it regularly to ask and answer questions, and solve problems. We hope you will actively take part in the course and engage with the material.

Course Delivery We will meet three times a week on Mondays, Wednesdays, and Thursdays 11am-1pm in RW 117 (25 Harbord Street, just east of Spadina). Some of these meeting times will be used for tutorials, as specified in the course outline below and on Quercus. Note that the lecture topics for each week are approximate: some topics will take longer than a single two hour class while others will take less than the two hours. As well, the schedule may be subject to minor changes with the timing of tutorials; so keep an eye on the timeline posted on Quercus. The dates of the two midterms and two in-class writing assignments are fixed will both be held during class time: two during each semester. See Quercus for exact dates.

COURSE INFORMATION

Material delivery and homeworks

ECO 206 is a live course. We will not make recordings of the lectures or tutorials available. The course and tutorial notes will, however, be made available.

Course notes for each lecture are posted around 6pm the night before each lecture. Sometimes topics will spill over and so we may not cover all of the posted material in the lecture on the following day.

Each week, a problem set corresponding to the current lecture material will also be posted along with the slides, on Monday or Tuesday evenings; the problem sets vary in length from two to four questions. These problem sets don't need to be handed in but are for study purposes, just like the first half of the class.

For each problem set, a solution set will be posted one week after the problem set itself is posted (i.e. When the next problem set goes up). When possible, it is a good idea to at least briefly attempt the problem sets before looking at the solutions.

A homework will be posted at 7pm AFTER each lecture. You have three days to complete the homework on Crowdmark. For the first week, however, you will have five days in case it takes a bit of extra time to "ramp up" and get familiar with Crowdmark.

Tutorial materials will be posted in the Tutorials module before the start of tutorial. Tutorials will be live in our regular meeting room. The TA will cover and posted slides and/or solve the posted tutorial questions during the meeting, written solutions will not be

provided.

To accommodate any variation across weeks during the semester, for reasons like illness, technology/internet or personal problems, internet issues, religious or extracurricular conflicts, or other reasons, we will drop your lowest two weekly HW scores in each half of the course, with your homework grade will be the average of the remaining grades.

Instructor Contact Information **Prof. Turner** lmf.turner@utoronto.ca
Please email from your U of T address and put ECO 206 in the subject line. If you don't get a reply within 48 hours, feel free to email again.

TA Contact Information Yanzun Yang: yanzun.yang@mail.utoronto.ca
Alexandre Lehoux: alexandre.lehoux@mail.utoronto.ca

Office Hours The instructor (Laura) hosts office hours on Friday afternoon from 2:30-5; these will be a mix of live and online office hours depending on room availability; I will update you each week as to whether I'm available live and where to find me. During weeks when the office hours are strictly virtual, you should email for an appointment / link; otherwise you can drop in. As well, I am also available for short informal live meetings with students after most lectures.

Our TAs Yanzun and Alex will host virtual office hours on Friday mornings, typically between 10 and 11am. Each Friday morning they will post an office hours link in announcements to let you know which TA is available and remind you if you want to drop in to ask questions.

Links **Course website:** Everything you need for this course can be found on the course Quercus site: <https://q.utoronto.ca/courses/263375>

Required Text *Microeconomics: Theory and Applications with Calculus, 5th Ed.* by Jeffrey M. Perloff. The specific chapter headings are listed on the syllabus and on Quercus. **We will not use MyEconLab this summer**, so either an electronic or hard copy of the textbook is fine, as are older editions. More information about best ordering practices via the bookstore will be provided on Quercus during the first week of semester.

Academic Integrity Academic Integrity is central to a UofT education. We take it seriously and so should you. Your degree has value because of what you learn in your courses and your grades are a reflection of this. When you cheat you do not acquire this knowledge. When your employers realize this it impacts your career and the careers of your fellow students as it affects UofT's reputation with employers.

To make sure your work retains integrity: when studying in groups, it is a good idea to talk about the assignment or problem set you are working on, but finish the submission on your own, so you do not copy another classmate's work in haste or have your own work copied. As well, you should make sure you understand before each midterm and exam what aids are permitted. At any point, we may require you to submit your term work to the university's plagiarism detection tool.

EVALUATION

Important Dates The grade for this class will be based on the term work below.

First Half : May 8-June 26

Test	Weight	Date	Time
First in-class writing assignment	8%	01-June	11:00AM-1:00PM
Midterm 1	20%	June Final exam period, determined by A&S	
Weekly Homeworks	5%	On problem set	

Second Half : Jul 4-Aug 25

Test	Weight	Date	Time
Second in-class writing assignment	12%	17-Jul	
Midterm 2	20%	27-Jul	
Weekly Homeworks	5%	On problem set	
Final	30%	August Final exam period, determined by A&S	

Tests: Coverage and Missed Tests

Details and topics coverage will be posted before each test in the Term Tests module on Quercus. Midterm 1 covers the material up to and including Lecture 11. Midterm 2 covers all the material from Lecture 12 to Lecture 19.

The final exam is **cumulative** and will cover all the material from the summer.

All assessments must be completed; we will not re-weight grades to the final exam. Students may, however, miss **one** in class assignment or midterm per semester due to illness or conflicts.

If you have to miss either a writing assignment or midterm, you need to notify the instructor (Laura) by email **before the assessment begins**. We do not need a doctor's note or other documentation.

There is only one make-up sitting per semester, which will be held on Friday, June 16th and Monday August 15th respectively. Since you can only make up one (either the writing assignment or the midterm) during this sitting, you cannot miss both midterms and you will receive a zero for whichever one you don't write on the make up date. There is no make up for the make up.

Regrade Requests

Regrade requests are to be made via an MS form available on Quercus. It will open one week after the assessment is handed back and will close a week after that. Requests will only be accepted during that period. We will re-read your entire assessment so the mark could go up, down or remain unchanged.

COURSE OUTLINE

The schedule is subject to change; some lecture topics will spill over into subsequent dates.

Date	Day	Week	Lec	Chapters	Topics
08-May	Mon	1	1	1,3.3	Introduction and Budget Constraints
10-May	Wed	1	2	3.1,3.2	Preferences and Utility
11-May	Thu	1			<i>Tutorial: Math Review</i>
15-May	Mon	2	3	3.4	Choice I
17-May	Wed	2	4	3.4-3.5	Choice II
18-May	Thu	2			<i>Tutorial: Optimization</i>
24-May	Wed	3	5	4.1	Demand and Income Effects
25-May	Thu	3	6	4.2	Substitution Effects
29-May	Mon	4	7	4.3, 2.5	Elasticities
31-May	Wed	4	8	5.1	Consumer Surplus I
01-June	Thu	4			In-class Writing Assignment I
05-June	Mon	5	9	5.2	Consumer Surplus II
07-June	Wed	5	10	5.4	Individual Labour Supply
08-June	Thu				<i>Tutorial: Consumer Surplus</i>
12-June	Mon	6	11	16.1	Uncertainty I
14-June	Wed	6	12	7 (exclude 7.5)	Production
15-June	Thu	6			<i>Tutorial: Midterm I review</i>
21-June to 26-June	tbd				Midterm 1
27-June to 3-July Summer Break: no class					
05-July	Wed	7	13	7 (exclude 7.5)	Cost Minimization
06-July	Thu	7	14	8.1-8.3	Profit Maximization
10-July	Mon	8	15	8.4-9.2	Competitive Market Equilibrium
12-Jun	Wed	8	16	9.3-9.5	Welfare and Distortions
13-July	Thu	8		15.1	<i>Tutorial: Competitive firm theory</i>
17-July	Mon	8			In-class Writing Assignment II
19-July	Wed	9	17	10.1-10.5	Competitive General Equilibrium I
20-July	Thu	9	18	10.1-10.5	Competitive General Equilibrium II
24-July	Mon	10	19	15.1	Factor Demand
26-July	Wed	10			<i>Tutorial: Midterm 2 review</i>
27-July	Thu	10			Midterm 2
31-July	Mon	11	20	11, 12.1-12.2	Monopoly, Monopsony and Price Discrimination
02-Aug	Wed	11	21	13.1	Game Theory – Static Games
03-Aug	Thu	11			<i>Tutorial: Static Games</i>
07-Aug	Mon	12	22	13.2	Game Theory – Dynamic Games I
09-Aug	Wed	12	23	14.1	Game Theory – Dynamic Games II
10-Aug	Thu				<i>Tutorial: Dynamic Games</i>
15-Aug	Mon	12	24	17.1-17.6	Externalities and Public Goods
After August 15	tbd				Final Exam