

## **Economics 721: Microeconomic Theory I** **Fall Term 2020**

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### **Class Schedule**

Term: Tuesday Sept. 8 – Wednesday, Dec. 9

Mid-term Recess: Monday Oct. 12 - Saturday Oct. 17

Course webpage: available at Avenue

### **Teaching Assistant**

Alex Sam

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### **Objective**

This course covers basic graduate-level microeconomic theory. It includes uncertainty, Walrasian equilibrium, Arrow-Debreu equilibrium, Radner equilibrium, competitive market under adverse selection, contract theory. Students are expected to be familiar with linear algebra, optimization technique, and basic real analysis.

### **Course format**

There will be live Q&A sessions through Zoom every Thursday from 10 am to 11 am EDT (Eastern daylight time) but please make yourself available until 11:30 am in case we need more time. I will send out email invitation to McMaster email address for all students registered in this course. Pre-recorded lectures are assigned to each Q&A sessions and it is required that students view and study assigned lectures prior to each Q&A session. Students can freely join Q&A sessions to ask questions to me from assigned lectures.

### **Term Test/Final exam**

There will be two term tests and a final exam. Students should refer to the Statement on Academic Ethics and the Senate Resolutions on Academic Dishonesty. Two term tests are scheduled as follows:

Test 1: October 8 (Thursday)

Test 2: November 18 (Thursday)

More details on term tests will follow. The date and time for the final exam are to be scheduled later.

### **Problem Sets**

Practice questions will be posted on a course website or announced in class. They are essential to prepare for the term test and final exam.

## **Assessment**

The test for the preparatory math will receive a weight of 10%. There will be three assignments. The weight for each assignment is 5%. The weight for each term test is 15%. The weight for the final exam is 45%. A student who does not hand in his/her assignment within a deadline will not receive any marks for it. A student who misses the mid term test without a medical excuse will receive a grade of zero for the test. If a student misses the mid term test with a medical excuse, the weight of that test will be moved forward onto the final exam.

## **Key Reference/Textbook**

“Microeconomic Theory,” Andreu Mas-Colell, Michael D. Whinston, and Jerry R. Green. Oxford University Press, 1995 (henceforth, MWG)

## **References**

“Advanced Microeconomic Theory,” Geoffrey A. Jehle and Philip J. Reny, 3rd edition 2010, Addison Wesley

“Game Theory,” Drew Fudenberg and Jean Tirole, 1991, MIT Press (henceforth FT)

## **Schedule**

- Choice Uncertainty (MWG chapter 6)
- General Equilibrium and Welfare (MWG chapters 15, 16)
- Arrow-Debreu Equilibrium (MWG 19.A, 19.B, 19.C, 19.D)
- Radner Equilibrium and related topics (MWG 19.E, 19.F, 19.G, 19.H)
- Competitive Market under Adverse Selection (MWG 13.A, 13.B, 13.D)
- Contract Theory (MWG 14.A, 14.B, 14.C, 14.D)
- Optimal mechanism design with a single agent (FT 7.3) - if time permitted

## **AUTHENTICITY / PLAGIARISM DETECTION**

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster’s use of Turnitin.com please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

## **COURSES WITH AN ON-LINE ELEMENT**

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn (A2L), Learn-Link, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

## **ONLINE PROCTORING**

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

## **CONDUCT EXPECTATIONS**

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the Code of Student Rights & Responsibilities (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, whether in person or online.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

Students with disabilities who require academic accommodation must contact Student Accessibility Services (SAS) at 905-525-9140 ext. 28652 or sas@mcmaster.ca to make arrangements with a Program Coordinator. For further information, consult McMaster University’s Academic Accommodation of Students with Disabilities policy.

## **REQUESTS FOR RELIEF FOR MISSED ACADEMIC TERM WORK**

McMaster Student Absence Form (MSAF): In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar “Requests for Relief for Missed Academic Term Work”.

## **ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)**

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students should submit their request to their Faculty Office normally within 10 working days of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

## **COPYRIGHT AND RECORDING**

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, including lectures by University instructors

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

## **EXTREME CIRCUMSTANCES**

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

### **Email Policy**

Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including TAs), and from students to staff, must originate from the student's own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student's responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.