This course covers a variety of topics in microeconomic theory, focusing on coordination and information problems.

**Evaluation**

There will be one midterm (on November 2), worth 40%, and a final exam worth 60%. The final exam will be held some time during the exam period (December 7 – December 18). If your final exam is >10% better than your midterm grade, I will change the weighting to 20% for the midterm and 80% for the final.

If you miss the midterm, you must provide appropriate documentation (a doctor’s note or other documentation approved by the University); the weight of the midterm will then be shifted to the final exam.

The tests will consist mostly of mathematical problem solving but there will also be some short questions to see whether you understand the underlying concepts. The specific structure of the tests will be discussed in class.

You will get lots of practice questions. If you can do these questions by yourself, you will do very well on the tests. You’re welcome to e-mail me but for substantive questions, it would be much better to come see me in office hours. In order to make sure that I can respond to your e-mails before the tests, please send your e-mail at least 24 hours in advance.

**H1N1**

You should take a look at the University’s webpage on flu pandemic preparedness:

http://www.preparedness.utoronto.ca/pandemic/Information_for_Students.htm

In particular, you should take note of the policy on student absences and also remember that the University may modify the flu-related policies as circumstances change.
Topics

Externalities and Solutions (2-3 Lectures)
Common Property Resources (1-2 Lectures)
   Static
   Dynamic
Hidden Characteristics (2 Lectures)
   Bargaining
   Price Discrimination
   The market for lemons
   Job-market signaling

Midterm (November 2)

Voting and Preference Revelation (1.5 Lectures)
   Properties of Voting Schemes
   Impossibility Results
Public Good Provision (1.5 Lectures)
   Market failure
   Incentive schemes
Political Economy (2 Lectures)
   Self-interested Politicians
   Rent-seeking

Note that the last lecture for this class takes place on Thursday, December 3 to make up for the missed class from Thanksgiving. This means that there are 2 lectures that week.

Final Exam (Exam Period: December 7 - 18)