

**University of Waterloo**  
**Department of Economics**  
**ECON 301: Microeconomic Theory 2 (Section 3)**  
**Course Outline – Fall 2011**

Instructor: Emmanuelle Piérard

Office: HH 209

Email: epierard@uwaterloo.ca (when emailing the instructor, the subject line of the email must contain ECON 301 and you must email from a UWaterloo account. You can only email the instructor regarding personal issues, e.g. why you will not be able to attend a midterm. **I will not answer any question about the material or the structure of midterms, the final, etc. through email.** Please use this address rather than the ACE one.)

Phone: 888-4567 ext. 37712

Office hours: Tuesday 11:30am -2:30pm and by appointment.

Schedule: 8:30-10am Tuesday and Thursday

Room: MC 2017

This is a theoretical course which will cover pricing and employment of inputs, general equilibrium theory, theory of modern welfare economics and intertemporal choice. (From the undergraduate calendar)

**Prerequisites:** ECON 201, ECON 211 or equivalent.

**Evaluation: 2 tests (October 6th and November 3rd) and a final exam**

The two tests will be given a weight of 30% for the best one and 20% for the worst (individually). The final exam, which will be held during the exam period in December, will be given a weight of 50%.

**Policy on missed classes:** Although presence in class is not required, it is highly recommended to attend classes. If you miss a class, you are responsible for making up for it, whatever the circumstances. I will not answer to emails and phone calls asking for information regarding the material covered in class. During the last 24 hours before a midterm or final, I will not answer to questions concerning material covered in class if you were absent and did not attend office hours to catch up.

**Policy on Missed Tests:** No make-up tests will be provided. Students who do not have a relevant medical certificate will receive a mark of zero on any missed test and their final grade will be computed in accordance with the formula specified above. For students who miss a test (or more) and have a relevant medical certificate for all tests missed, the weight of the missed test(s) will be transferred to the final. You must provide supporting documentation within 5 days of the day of the midterm or exam.

**Policy on remarking of Tests:** If you feel that your test was not marked properly, you must advise the instructor within 10 days of the test being handed back to the students in class. Note that if you want your test re-graded, I will remark the entire test (your mark may go up or down as a result of this).

**Textbook: There is no required textbook for this course.**

I will follow the general structure of Varian, which you can purchase if you choose to. The textbook you used in 201, if different, is likely a good substitute for Varian.

Varian, H. R. "Intermediate Microeconomics: A Modern Approach" 8<sup>th</sup> edition, Norton, Toronto, 2009.

The Workouts book that accompanies this text (Bergstrom, T. and H. Varian, Workouts in Intermediate Microeconomics, 2009) is also optional.

**The 8<sup>th</sup> edition is not required for either of these (the 7<sup>th</sup> or 6<sup>th</sup> is fine).**

Both texts are on reserve (3 hours) at the Dana Porter Library. I will sometimes refer to other textbooks; these will also be put on reserve as the term progresses.

**Topics covered** (chapter numbers refer to Varian):

Review of ECON 201 using the technical skills acquired in ECON 211 (Utility maximization, cost minimization, profit maximization, labour market, Slutsky decomposition)

Intertemporal choice: Chapter 10

Pricing and employment of inputs: Chapter 26

General equilibrium theory: Chapters 31, 32.

Theory of modern welfare economics: Chapter 33

Externalities: Chapter 34

Public Goods : Chapter 36

Asymmetric Information: Chapter 37

Game Theory (time permitting): Chapters 28 and 29

I primarily use slides of my notes in class. To enable students to take better notes, I will post the slides on the angel network (or ACE, <https://uwangel.uwaterloo.ca/uwangel/frameIndex.htm>) prior to classes. Problems' solutions and graphs will **not** be part of these notes. Past midterms and other practice questions will also be posted there. You need your Quest login and password to get access to ACE.

**Note on the use of cell phones in class:** Students who use cell phones during class time will be asked to leave.

**Note on the use of recording devices in class:** The use of these is prohibited during class time. If you have a disability documented by the OPD that warrants the use of a tape recorder in class, you must provide the documentation proving this in order to be allowed to record classes.

**Academic Integrity:** In order to maintain a culture of academic integrity, members of the University of Waterloo are expected to promote honesty, trust, fairness, respect and responsibility.

**Discipline:** A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is

unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about “rules” for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to Policy 71 - Student Discipline, <http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm>

**Grievance:** A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. Read Policy 70 - Student Petitions and Grievances, Section 4, <http://www.adm.uwaterloo.ca/infosec/Policies/policy70.htm>

**Appeals:** A student may appeal the finding and/or penalty in a decision made under Policy 70 - Student Petitions and Grievances (other than regarding a petition) or Policy 71 - Student Discipline if a ground for an appeal can be established. Read Policy 72 - Student Appeals, <http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm>

**Academic Integrity website (Arts):** [http://arts.uwaterloo.ca/arts/ugrad/academic\\_responsibility.html](http://arts.uwaterloo.ca/arts/ugrad/academic_responsibility.html)

**Academic Integrity Office (UW):** <http://uwaterloo.ca/academicintegrity/>

**Accommodation for Students with Disabilities:**

**Note for students with disabilities:** The Office for Persons with Disabilities (OPD), located in Needles Hall, Room 1132, collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the OPD at the beginning of each academic term.

Note on the scheduling of midterms, exams and religious holidays: If an exam or midterm falls on the day of a religious holiday which is not observed by the university and you anticipate this to be a problem, you must consult with the associate dean of the faculty of Arts regarding other arrangements. You have 1 week after the announcement of the date of the midterm/exam to make a request of rescheduling based on these grounds (i.e. you have one week after the first class for midterms and one week after the schedule of the finals is publicized for the final exam). This is the University’s policy.