

**University of Waterloo**  
**Department of Economics**  
**ECON 201: Microeconomic Theory for Business and Policy (Section 001)**

**Instructor:** Ahmet OZKARDAS

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**Office Hours:** Tuesday & Thursday 12:30 – 2:00 p.m, or by appointment.

**Term/Year:** Winter 2019

**Class days/times:** Mon & Wed & Fri 12:30 – 1:20 p.m.

**Building/room number:** DWE 3522

**Prerequisite:** ECON 101

**General Course Objective**

This course covers the conceptual groundwork in microeconomic theory typically used for analyzing choices of people within the market process. The purpose of the course is to expose students to the economic way of thinking beyond the introductory microeconomics level. Regardless of whether you will deal with economic policy professionally, we all deal with the intended and the unintended consequences of economic policy as citizens. Understanding those consequences can lead to more informed decisions by individuals, firms, and whole societies. We will begin by examining the microeconomic theory of people's consumption decisions. Next, we turn to analyzing producers' decisions using the model of the firm. We then combine the two basic microeconomic building blocks— consumer choice and producer choice—to see how consumers and producers interact within the market. There are many different kinds of markets, but we will focus on four main types: competitive markets, monopoly, oligopoly, and monopolistic competition.

Upon completion of this course, students should be able to:

- Explain the general theoretical approach adopted in microeconomics;
- Reason about economic questions in a systematic, theoretically grounded way;
- Graphical, algebraic, and verbal means to express and communicate economic ideas and concepts.

To get the most out of the course, students are strongly encouraged to attend all lectures, and participate in class discussion. Knowledge of basic algebra is required for the course. A specific timetable indicating which topics will be discussed on a specific lecture date is provided but our progress will depend on class ability and interest in the lecture materials. For this reason, the contents of each week may change during the semester.

## Course Materials

*No formal textbook is required.*

However, this course will be loosely based on ‘Intermediate Microeconomics: a Modern Approach’ (9<sup>th</sup> edition) by Hal Varian, Norton 2014 (previous editions should work too).

However, the course should also be self-contained. Everything you need will be presented in class and/or available on the class website. The textbooks are useful, recommended, but not required.

## Readings Available on LEARN

- Assignments and assignment solutions will be posted on LEARN.
- Partially filled lecture notes will be posted on LEARN but filled lecture notes WILL NOT be posted and WILL NOT BE available from the instructor. Class attendance and note taking are therefore of higher importance than usual. If you think you need to miss a class, be sure to arrange for a classmate to be willing to share notes with you.

## Course Requirements and Assessment

Assessment	Date of Evaluation (if known)	Weighting
Assignments (4 Assignments)	----	20%
Midterm 1	Friday, February 1 (in class)	15%
Midterm 2	Friday, March 8 (in class)	25%
Final Exam	Determined by Registrar’s Office	40%
Total		100%

There will be no adjustments to the above grading scheme. Especially not for an individual student.

## Assignments

Assignments will be due at the beginning of class on the due date. Late assignments are not accepted. Assignments will be handed out 5-7 days in advance of the due date, while the material is covered in lectures. Due to the extended time for completion, medical notes will usually not be accepted. To give an idea about the due dates, please see the following table:

	Due date
Assignment 1	28 <sup>th</sup> January
Assignment 2	25 <sup>th</sup> February
Assignment 3	18 <sup>th</sup> March
Assignment 4	5 <sup>th</sup> April

## **Midterms**

Midterms are in class, closed book, no aids of any kind. The weight of a midterm for which a VIF is accepted will be moved to the other midterm and the final exam in equal parts. If you happen to be sick for both midterms you should consider dropping the course.

## **Final Exam**

The final exam is cumulative and will test all of the material in the course. It is closed book, no aids. The final exam is scheduled by the Registrar's office during the final examination period. Travel plans are not an acceptable reason to reschedule a final exam. Also note that the final will not be rescheduled under any circumstances if both midterms have been missed. You should by now be familiar with the deferred final exam policy of the department.

## **Notes on contacting the instructor**

When sending email, please use your official UWaterloo account and have ECON 201 in the subject line. It is generally a good idea to also have a signature line that includes your full name and student ID. Please treat email correspondence as a somewhat formal venue of communication.

## **Course Outline**

This class schedule is ambitious. Modifications and/or eliminations of certain content might be required given our limited time together. Any necessary modifications or eliminations to the course content will be communicated to you in the regular class period.

Week 1: Introduction, The Market, Budget Constraint (H. Varian, Chapters 1 – 2)

Week 2: Preferences, Utility (H. Varian, Chapters 3 – 4)

Week 3: Utility, Choice (H. Varian, Chapters 4 – 5)

Week 4: Demand (H. Varian, Chapter 6)

Week 5: Technology, Profit Maximization (H. Varian, Chapters 19 – 20)

Week 6: Profit Maximization, Cost Minimization (H. Varian, Chapters 20 – 21)

Week 7: Cost Curves, Firm Supply (H. Varian, Chapters 22 – 23)

Week 8: Firm Supply (H. Varian, Chapters 23)

Week 9: Market Demand, Consumer's Surplus (H. Varian, Chapters 15 – 16)

Week 10: Equilibrium, Industry Supply (H. Varian, Chapters 16 – 24)

Week 11: Monopoly, Monopoly Behavior (H. Varian, Chapters 25 – Chapter 26)

Week 12: Monopoly Behavior, Oligopoly (H. Varian, Chapters 26 – 28)

## **Important Notices**

### **Late Work**

Assignments are due by the end of class on the due date given. Late assignments received less than 24 hours after the deadline will be given a 25% penalty. Assignments received after 24 hours will not be marked

## **Examination Policy**

- The format for midterms and the final exam will be multiple choice questions and/or written problems. The midterm tests will be written in class time. Midterm grades will be posted on Learn.
- No deferred or make-up midterm tests and quizzes. If the illness can be documented with a UW Verification of Illness Form (the only acceptable document), with approval you may transfer the weight of the missed midterm and quizzes to the final exam. This remedy is a privilege and not a right. Immediately upon your return, please deliver to me a hard copy of your medical document. Otherwise, a mark of zero will be given to the missed test. The midterm schedule is set and will not be changed for any reason.
- Late submission of exam papers is not accepted and missed submissions will receive a grade of zero for whatever reason. Exam papers must be submitted in whole and on time in the exam room. Exam papers
  - not submitted on time,
  - submitted with missing pages,
  - submitted elsewhere, with the exception of students with permission to write in the AS Office,
  - or not received at all will receive a grade of zero for whatever reason.
- It is the responsibility of students to ensure that they write exams in the location, date, and time assigned to their section. Students writing exams in the wrong section will be assessed a 20% penalty on the final exam grade. The final exam schedule is posted online, will be announced in class, and posted on LEARN. There will be no accommodation for possible differences in exam material or content.

## **Electronic Device Policy**

- Laptop computers or other electronic devices (i.e., Apple or Android smartphones and tablets) may only be used to view lecture material.

## **Attendance Policy and Classroom Protocols**

- Class attendance is an integral part of the course. Although attendance is not formally taken, it is critical for understanding the course material. Students are responsible for all material covered whether they choose to attend lectures or not.
- To maintain a classroom environment that is conducive to learning, students are expected to have the highest level of courtesy and professional behavior. Students must be punctual. If you know that you have to leave early, seat yourself near an exit. Please turn off all audible ringers on phones and other electronic devices while in class.

## **Study Tips**

Read the material and practice, practice, practice. I would urge you to reserve at least six hours a week to read the material (e.g., textbook chapters and notes) and do all the problems at the end of the chapters in the textbook. Do not wait until a couple of days before the exams—you will be overwhelmed.

## **Economics Department Deferred Final Exam Policy**

Deferred Final Exam Policy found at <https://uwaterloo.ca/economics/undergraduate/resources-and-policies/deferred-final-exam-policy>

### **Cross-listed course**

Please note that a cross-listed course will count in all respective averages no matter under which rubric it has been taken. For example, a PHIL/PSCI cross-list will count in a Philosophy major average, even if the course was taken under the Political Science rubric.

### **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. See the [UWaterloo Academic Integrity](#) webpage and the [Arts Academic Integrity](#) webpage for more information.

#### **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](#). For typical penalties check [Guidelines for the Assessment of Penalties](#).

#### **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. When in doubt, please be certain to contact the department’s administrative assistant who will provide further assistance.

#### **Appeals:**

A decision made or penalty imposed under Policy 70 - Student Petitions and Grievances (other than a petition) or Policy 71 - Student Discipline may be appealed if there is a ground. A student who believes he/she has a ground for an appeal should refer to [Policy 72 - Student Appeals](#).

## **Accommodation for Students with Disabilities**

### **Note for students with disabilities:**

[The AccessAbility Services office](#), located on the first floor of the Needles Hall extension (1401), 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 AS office at the beginning of each academic term.

### **If you are using Turnitin® in your course Turnitin.com:**

Text matching software (Turnitin®) will be used to screen assignments in this course. This is being done to verify that use of all material and sources in assignments is documented. Students will be given an option if they do not want to have their assignment screened by Turnitin®. In the first week of the term, details will be provided about arrangements and alternatives for the use of Turnitin® in this course. Note: students must be given a reasonable option if they do not want to have their assignment screened by Turnitin®. See [guidelines for instructors](#) for more information

## **Mental Health Support**

All of us need a support system. The faculty and staff in Arts encourage students to seek out mental health supports if they are needed.

### On Campus

- Counselling Services: [counselling.services@uwaterloo.ca](mailto:counselling.services@uwaterloo.ca) / 519-888-4567 ext 32655
- [MATES](#): one-to-one peer support program offered by Federation of Students (FEDS) and Counselling Services
- Health Services Emergency service: located across the creek from Student Life Centre

### Off campus, 24/7

- [Good2Talk](#): Free confidential help line for post-secondary students. Phone: 1-866-925-5454
- Grand River Hospital: Emergency care for mental health crisis. Phone: 519-749-433 ext. 6880
- [Here 24/7](#): Mental Health and Crisis Service Team. Phone: 1-844-437-3247
- [OK2BME](#): set of support services for lesbian, gay, bisexual, transgender or questioning teens in Waterloo. Phone: 519-884-0000 extension 213

Full details can be found online at the Faculty of ARTS [website](#)

Download [UWaterloo and regional mental health resources \(PDF\)](#)

Download the [WatSafe](#) app to your phone to quickly access mental health support information

## **Territorial Acknowledgement**

We acknowledge that we are living and working on the traditional territory of the Attawandaron (also known as Neutral), Anishinaabeg and Haudenosaunee peoples. The University of Waterloo is situated on the Haldimand Tract, the land promised to the Six Nations that includes six miles on each side of the Grand River.