

University of Waterloo
Department of Economics
ECON 201: Microeconomic Theory for Business and Policy (Section 002)
Winter 2019
Class Time: Tue. & Thur. 10:00 am - 11:20 am
Classroom: RCH 110

Instructor and T.A. Information

Instructor: Predrag Rajsic

Office: HH 162

Office Phone: 519-888-4567 ext. 30174 (please do not leave voice mails)

Office Hours: Tuesdays and Thursdays 11:30 am – 1:00 pm or by appointment

Email: prajsic@uwaterloo.ca

T.A. Information: TBA.

Notes on office hours or contacting instructor

Office hours for the Final Exam Period will be announced in March.

If a student is not able to meet during office hours, I am open to arranging a mutually convenient appointment via email.

When sending email to your instructor, always use your University of Waterloo email account. “**ECON 201**” must appear in the subject line and the message must include your full name and student ID number.

Where to find this course outline:

This course outline is available at two locations for the duration of the term:

- Department of Economics website
<https://uwaterloo.ca/economics/undergraduate/courses/outlines-0>
- LEARN web site (requires UW user id and password) <http://learn.uwaterloo.ca>

Course Description

The purpose of the course is to expose students to the business and public policy applications of 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 individual 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, producers and the government interact within the market. There are many kinds of markets, but we will focus on four main types: competitive markets, monopoly, oligopoly, and monopolistic competition.

Prerequisite: ECON 101.

Course Goals and Learning Outcomes

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;
- Use graphical, algebraic and verbal means to express and communicate economic ideas and concepts.

Textbook

- Microeconomics, 8th edition. Jeffrey M. Perloff, University of California-Berkeley
Older editions are acceptable, but it is the students' responsibility to cover any differences in the content.
Copies of the 8th and 7th edition are on reserve at the Dana Porter Library.

Notes from the BookStore

- The UW BookStore has the following editions of the same textbook package (buy only one):
 - Option 1: Microeconomics, 8th edition (Hardcover) Plus MyEconLab with Pearson eText - Access Card Package. ISBN: 9780134641799
 - Option 2: Microeconomics, 8th edition, Student Value Edition Plus MyEconLab with Pearson eText -- Access Card Package. ISBN: 9780134642352
 - Option 3: MyEconLab with Pearson eText -- Access Card Package. ISBN: 9780134524320
The use of MyEconLab tests is optional. You may use them as a practice tool, but they will not be used for grading purposes.
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Readings Available on LEARN

- LEARN web site <http://learn.uwaterloo.ca>
- Announcements, lecture slides, midterm solutions
- Online Review Quizzes (see below under *Review Quizzes*)

The LEARN site is down occasionally. Save the course materials to your computer as soon as they are posted. Always be prepared!

Examinations in this course are based on the material contained in the textbook and the presented lecture content (which are strong complements, not substitutes...see Policy on Class Attendance).

Course Requirements and Assessment

The midterms will be written in the class period on the dates specified below and the best result will be worth 25% of your final grade with the second-best result being worth 20% of your final grade.

The final exam, which will be scheduled by the registrar during the examination period in April, will constitute 50% of your final grade and will be comprehensive (i.e., cover all course material from beginning to end).

There will be a bonus grade up to 2% for participation.

| Assessment | Date of Evaluation | Weighting |
|--------------------------------------|---|------------|
| Weekly Review Quizzes | TBA | 5% |
| Midterm #1 | February 15 (in-class) | 20% or 25% |
| Midterm #2 | March 14 (in-class) | 20% or 25% |
| Final Examination | Exam Period (scheduled by Registrar's Office) | 50% |
| Bonus for participation ¹ | | 2% |
| Total | | 100% |

Review Quizzes

- The purpose of the review quizzes is to help students identify and understand key concepts covered in the lectures and in the textbook.
- The format of the quizzes will mainly be multiple-choice questions, but there may also be some true-false questions, or short answer questions.
- The quizzes will be done online through the LEARN system.
- There will be a limited, but a reasonably long, time window set up in LEARN during which each quiz will be available for completion. There are two attempts for each quiz available and the better attempt counts.
- Quizzes that are not submitted on time will automatically receive a grade of zero.

Participation

Participation is recommended, and it will be rewarded through bonus marks up to the total of two percentage points (2%) that will be added to the students' final grade. Participation will be monitored through an online tool Learning Catalytics. The primary purpose of this tool in this class is to enhance the feedback mechanism between students and the instructor so that we can identify areas that may require special focus. You will be able to submit answers to in-class questions using Apple or Android smartphones and tablets, laptops, or through text message. Your participation grade will **not** depend on the correctness of your answers to the in-class questions.

Learning Catalytics

We will be using the Learning Catalytics classroom response system in class. Included with the purchase of a new text is a subscription to Learning Catalytics (through MyEconLab), which is a web-based student response system - please bring a smart device (laptop, tablet, or smart phone) or a text-capable cell phone to class.

If you do not have a new text or code to MyEconLab, codes can be purchased separately through the bookstore as it is the cheapest option - **\$17.25 CND for 12 months.**

¹ If a student's Total grade, including participation, is more than 100%, the participation grade is applied up to the value that produces the Total grade of 100%. Otherwise, the full participation grade is applied.

Through the Learning Catalytics website the cost is \$12 **USD** (6 months) or \$20 **USD** (12 months).

To register please visit www.LearningCatalytics.com.

Please reference the step-by-step login document for detailed instructions. Under the Training & Support tab, you will find helpful information including technical support.

Please email the Rep Kyle if you need anything at all - kyle.monotiuk@pearsoned.com.

Midterms and the Final Exam

- The format for both midterms and the final exam will be a mix of multiple-choice questions and written problems.
- The midterm tests will be written during the class time.
- The final exam period for the Winter Term 2019 is April 10 – 27 inclusive. Students are expected to be available during this time. Travel plans are not acceptable grounds for granting an alternative final examination time. <http://uwaterloo.ca/registrar/final-examinations/examination-regulations-and-related-matters>
- The exact date and time for the final exam for this class will be determined by the Registrar's Office. The exam schedule is posted online, will be announced in class, and posted on LEARN.
- Only the Registrar's Office can issue final grades.

This grading policy will be implemented strictly for all students in the course (with the exception of verified illnesses – see below).

Missing a Midterm Due to Illness During the Term

- Missing a midterm will automatically result in a grade of zero for that midterm. 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 to the final exam. This remedy is a privilege and not a right.
- The midterm exam schedule has been set and will not be changed for whatever reason (no make-up midterm exams will be offered).

Missing the Final Exam Due to Illness

- Missing the final exam is a very serious matter which automatically results in a grade of zero for the final exam and possibly a failing grade for the course. Please carefully read the Economics Department policy on deferred final exams for instructions.
- No deferred final exam will be provided for students who missed all the exams (including the final exam) in this course

Economics Department Deferred Final Exam Policy

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

Policy on remarking of Tests: If you feel that your test was not marked properly, you must advise the instructor within 5 business days of the date on which the test is handed back to the class. Any student that submits a test for remarking should understand that the entire test will be remarked and that their grade may improve, remain unchanged or perhaps even decrease as a result of the remarking process.

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 | Date | Topic | Readings Due |
|------|--------------------|--|--|
| 1 | January 8, 10 | Introduction to Course & Economic Modeling | Ch. 1 Introduction Ch. 2 Supply and Demand |
| 2 | January 15 and 17 | Economic Modeling Consumer Theory | Ch. 3 Applying Supply and Demand Ch. 4 Consumer Choice |
| 3 | January 22 and 24 | Consumer Theory | Ch. 4 Consumer Choice |
| 4 | January 29 and 31 | Consumer Theory | Ch. 5 Applying Consumer Theory |
| 5 | February 5 and 7 | Consumer Theory Producer theory | Ch. 5 Applying Consumer Theory |
| 6 | February 12 and 15 | Producer theory Midterm #1 (February 15) | Ch. 6 Firms and Production |
| 7 | February 19 and 21 | Winter Reading Week <i>No classes</i> | |
| 8 | February 26 and 28 | Producer theory | Ch. 6 Firms and Production Ch. 7 Costs of Production |
| 9 | March 5 and 7 | Producer Theory Market Structures | Ch. 8 Competitive Firms and Markets |
| 10 | March 12 and 14 | Market Structures Midterm #2 (March 14) | Ch. 9 Applying the Competitive Model |
| 11 | March 19 and 21 | Market Structures | Ch. 9 Applying the Competitive Model Ch. 11 Monopoly |
| 12 | March 26 and 28 | Market Structures | Ch. 12 Price Discrimination Ch. 13 Oligopoly and Monopolistic Competition |
| 13 | April 2 and 4 | Game Theory Review and Reflections on the Learning Experience | Ch. 14 Introduction to Game Theory |

Tentative Schedule of Review Quizzes

- Quiz 1: Released January 8, due January 15. Coverage: Ch 1, Ch 2
- Quiz 2: Released January 15, due January 22. Coverage Ch 3, Ch 4
- Quiz 3: Released January 22, due February 12. Coverage Ch 5, Ch 6
- Quiz 4: Released February 26, due March 5. Coverage: Ch 7, Ch 8
- Quiz 5: Released March 12, due March 19. Coverage: Ch 9, Ch 11
- Quiz 6: Released March 19, due April 4. Coverage: Ch 12, Ch 13
- Any changes to this schedule and any other relevant information will be announced in class and posted in the LEARN News section.

Late Work

Late submission of exam papers is not accepted and missed submissions will receive a zero mark for whatever reason.

- Exam papers must be submitted in whole and on time in the exam room. Exam papers
 - a) not submitted on time
 - b) submitted with missing pages,
 - c) submitted elsewhere, with the exception of students with permission to write in the AS Office
 - d) 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. 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 or to access the Learning Catalytics page for this course.
- Photographic devices are not permitted in class due to copyright and privacy issues.
- Audio or video recording devices are not permitted in class due to copyright and privacy issues.

Attendance Policy

Class attendance is an integral part of your educational experience. It is an important factor in ensuring your complete understanding of the material presented. You are responsible for all material presented in the scheduled lecture periods whether you choose to attend lectures or not.

Classroom Protocols

- I do NOT lend my lecture notes to students for any reason.

- In order to maintain a productive learning environment in the classroom, we all need to show the highest level of courtesy and professional behaviour. In particular, please be punctual and turn off all audible ringers on all devices during class.
- As a courtesy to the custodial staff, if you have coffee, water, etc., please dispose of your garbage when you leave the classroom.
- Please leave your private conversations for after the class.

Economics Department Deferred Final Exam Policy

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

Institutional-required statements for undergraduate course outlines approved by Senate Undergraduate Council, April 14, 2009

Academic Integrity

In order to maintain a culture of academic integrity, members of the University of Waterloo community 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 \(https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/guidelines/guidelines-assessment-penalties\)](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/guidelines/guidelines-assessment-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 (<https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-70>). 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 \(https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72\)](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72).

Note for Students with Disabilities

The [AccessAbility Services](#) office, located on the first floor of the Needles Hall extension (NH 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 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.

Faculty of Arts-required statements for undergraduate course outlines

Cross-listed Course (if applicable)

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.