

University of Waterloo
Department of Economics
ECON 201: Microeconomic Theory 1 (Section 003)
Winter 2016
Class Time: Mon. & Wed. 04:00 pm - 05:20 pm
Classroom: DWE 3522

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 – 12:30 am 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.

Economics Clinic: Winter term hours and locations to be announced.

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/current-undergraduates/courses-and-outlines>
- LEARN web site (requires UW user id and password) <http://learn.uwaterloo.ca>

Course Description

This course covers the conceptual groundwork in microeconomic theory typically used for analyzing choices of people within the market process. The course will serve as a prerequisite for virtually every economics course that you will endeavor to take in the future. 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 three main types: competitive markets, monopoly and oligopoly.

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.

Required Text

- Varian, H. R., 2014, *Intermediate Microeconomics: A Modern Approach*, 9th Edition (with accompanying Workouts Package).
7th and 8th editions are acceptable.
Copies of the 9th, 8th, 7th and 6th 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: *Intermediate Microeconomics: A Modern Approach*, 9th Edition (Paperback) and Workouts Package (\$165.00)
 - Option 2: *Intermediate Microeconomics: A Modern Approach*, 9th Edition (Loose-leaf, three-hole punch & binder) and Workouts Package (\$112.50)

Readings Available on LEARN

- LEARN web site <http://learn.uwaterloo.ca>
- Announcements, lecture slides, midterm solutions
- Econ 201 – Math Review—this document covers mathematical concepts that students should be familiar with for the course.
- Problem Sets – practice questions

Sets of practice questions will be posted along with solutions. These problems are exam-type problems, and are not a component of students' evaluation. Some of these practice questions will be from the "Workouts" companion volume, while others will be of my own design.

- Online Weekly Review Quizzes (see below under *Weekly 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).

Assessment	Date of Evaluation	Weighting
Weekly Review Quizzes	TBA	5%
Midterm #1	February 3 (in-class)	20% or 25%
Midterm #2	March 9 (in-class)	20% or 25%
Final Examination	Exam Period (scheduled by Registrar's Office)	50%
Total		100%

Weekly Review Quizzes

- The purpose of the weekly review quizzes is to help students identify and understand key new concepts covered in the lectures and in the textbook each week.
- The format of the quizzes will be multiple-choice 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.
- Quizzes that are not submitted on time will automatically receive a grade of zero.
- The exact time for each quiz and any other relevant information will be announced in class and posted in the LEARN News section. There will be no quizzes during the weeks of the midterms.

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 test will be written during the class time.
- The final exam period for the Winter Term 2016 is April 8 – 23 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 4 and 6	Introduction to Course & Consumer Theory	Ch. 1 The Market Ch. 2 Budget Constraint
2	January 11 and 13	Consumer Theory	Ch. 3 Preferences
3	January 18 and 20	Consumer Theory	Ch. 4 Utility
4	January 25 and 27	Consumer Theory	Ch. 5 Choice
5	February 1	Consumer Theory Midterm #1 (Feb 3)	Ch. 6 Demand
6	February 8 and 10	Consumer Theory	Ch. 8 Slutsky Equation Ch. 15 Market Demand

Week	Date	Topic	Readings Due
7	February 15 and 17	READING WEEK	
8	February 22 and 24	Demand and Equilibrium in Competitive Markets Producer Theory	Ch. 16 Equilibrium Ch. 18 Technology
9	February 29 and March 3	Producer Theory	Ch. 19 Profit Maximization Ch. 20 Cost Minimization
10	March 7	Producer Theory Midterm #2 (March 9)	Ch. 21 Cost Curves Ch. 22 Firm Supply
11	Mar 14 and 16	Supply and Equilibrium in a Competitive Market	Ch. 23 Industry Supply Ch. 15 Market Demand
12	March 21 and 23	Monopoly and Oligopoly	Ch. 24 Monopoly Ch. 27 Oligopoly
13	Mach 28 and 30	Oligopoly Review and Reflections on the Learning Experience	Ch. 27 Oligopoly

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

THE CLASSROOM IS A HANDHELD-DEVICE-FREE ZONE.

- Turn off all handheld devices and put them away for the duration of the lecture.
- Laptop computers may only be used to view lecture material.
- 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. While attendance is not a graded component of this course, 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>.

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

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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-71) (<https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-71>)

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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-70) (<https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-70>), Section 4.

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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72) (https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72).

Other sources of information for students:

[Academic Integrity website \(Arts\)](https://uwaterloo.ca/arts/current-undergraduates/student-support/ethical-behaviour)

https://uwaterloo.ca/arts/current-undergraduates/student-support/ethical-behaviour

[Academic Integrity Office \(UWaterloo\)](https://uwaterloo.ca/academic-integrity/)

https://uwaterloo.ca/academic-integrity/

Accommodation for Students with Disabilities

Note for students with disabilities: The [AccessAbility Services](https://uwaterloo.ca/disability-services) office (https://uwaterloo.ca/disability-services), 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.