

University of Waterloo
Department of Economics
Econ 201 (003) - Microeconomic Theory for Business and Policy
Winter – 2023

Instructor: Nafeez Fatima

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Office Hours: Thursdays from 3.00 pm to 4.30 pm

(Video chat on WebEx, other times by appointment only)

Lecture hours and Location: Mondays and Wednesdays from 2.30 pm to 3.50 pm in AL 208

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>
- LEARN web site (requires UW userid and password): <http://learn.uwaterloo.ca>

Note: The course schedule, evaluation scheme, methodology, assessments, lab and tutorial attendance, testing and final exam policies have been planned based on current public health guidelines. Should these guidelines change, any adjustments will be communicated to students.

Communication with Instructor

Regarding e-mail communication, students should use the university e-mail address. When sending email, "ECON 201" must appear in the subject line and the message must include your full name and ID number.

Calendar Description

This course offers an introduction to the theory of market based economies. Topics include consumer choice; production; price and output under perfect and imperfect competition; price discrimination and two part pricing; vertical and horizontal firm boundaries and integration; and market structure.

Course Objectives

This course provides an extension on the microeconomic concepts developed in Econ 101 using more advanced mathematical and graphical methods. The main objective of the course is to understand how people make rational decisions within the general framework of market system. In the first part of the course, we will study how

consumers make choices given their constraints of budget. In the second part of the course, we focus on how producers optimize production activities guided by the principle of profit maximization. And, in the last part of the course, we study how these two groups interact in the market by combining consumer and producer choices together. Different types of market considered are perfect competition, monopoly, oligopoly and monopolistic competition. Topics of discussion include the theory of consumer behavior, the theory of the firms, different market structures and the role of government.

After completion of this course, students are expected to learn the general theoretical framework of microeconomics, understand the model based approach to study rational decision making processes of consumers and producers, and can apply these microeconomic principles and tools to analyze and resolve real life problems.

Prerequisites

ECON 101 or ECON 100/COMM 103

Required Textbook

Jeffrey M. Perloff , *Microeconomics*, 8th edition, Pearson Education Inc, 2018

Note: earlier editions of the textbook can also be used for this course.

However, students are responsible for all materials covered from the new edition of the textbook.

Resources

Course related materials including lecture notes will be posted on Learn at:

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It is highly recommended that students attend the classes and read the textbook.

Lecture notes are provided as a supplement to the text book.

The content of the exams will be announced on Learn. Students are responsible for visiting this site frequently.

Course Evaluation

Student evaluation for this course will consist of two in -class midterm exams and a final exam. Final exam will be comprehensive; it will include all materials covered in this course. Final exam schedule will be released by the Registrar's office. Final exam period for Winter 2023 term is from April 13 o April 28.

Exam Schedule & Mark Breakdown

Exams	Date	Syllabus	Weight
Midterm 1	Wednesday, February 15, 2023	Chapters 2-5	25%
Midterm 2	Wednesday, March 22, 2023	Chapters 6-9	25%
Final	TBA	Comprehensive Exam	50%

Grades

Exam marks will be posted on Learn. Posting grades in public places or sending grades by e-mail are prohibited by university regulations.

Remarking Policy

If any student feels that the exam is not marked properly, he/she must inform the instructor within 6 days of the date on which the grades are posted on Learn. Please be advised that the entire test will be remarked and the grade may improve, remain unchanged or perhaps even decrease as a result of the remarking process.

Topics covered

*******This course schedule is tentative. There may be addition or slight modification in this schedule given the pace of the class. *******

Chapter 2: Supply and Demand

Chapter 3: Applying the Supply and Demand Model

Chapter 4: Consumer Choice

Chapter 5: Applying Consumer Theory

Chapter 6: Firms and Production

Chapter 7: Costs

Chapter 8: Competitive Firms and Markets

Chapter 9: Applying the Competitive Model

Chapter 11: Monopoly

Chapter 12: Pricing and Advertising

Chapter 13: Oligopoly and Monopolistic Competition (time permitting)

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 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.

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 / 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), Anishinaabe 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.