

# UNIVERSITY OF WATERLOO

Department of Economics

Syllabus for Econ 101 (003)

Introduction to Microeconomics, Fall 2024

Lectures: M & W 11:30 am – 12:50 pm, DC 1351

Office Hours: M & W 1:00 pm – 1:30 pm, UTD 209

Instructor: Teferi Mergo -- Email: [tmergo@uwaterloo.ca](mailto:tmergo@uwaterloo.ca)

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## **Course Objectives and Expectations**

Econ 101 is an introductory course in which you will learn that market forces (demand and supply) allocate scarce resources efficiently under certain conditions. You will study that the key principles driving market forces are determined by the natural optimizing proclivity of economic agents. You will also discover the limitations of the market in generating optimal outcomes.

The assumptions that drive these results will strike you as unrealistic (they are!), but don't let that disenchant you from learning a subject that will be essential for more enjoyable classes you might take as you advance through your studies. The course is NOT intended to capture all the complexities of the world; rather, it is meant to convey certain basic principles guiding the economy. To illuminate the subject's abstract ideas and key principles, students will read certain carefully selected articles and present their views in class in groups of five to six people, addressing specific questions they will be asked based on the articles.<sup>1</sup>

If you are intrigued by the insights you gain from the course (you might!), take them only seriously, not literally. It is also possible that you remain unconvinced about the assumed optimizing tendencies of economic agents and the implications thereof after taking the class. Indeed, some economists have similar perspectives and have been trying to offer what they see as alternative explanations of how the economy works.

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<sup>1</sup> For further details, refer to the Class Presentation Guidelines (CPG) posted on LEARN.

### **Required Textbook:**

Microeconomics: Canada in the Global Environment Plus *MyLab* Economics (12<sup>th</sup> edition). You can obtain the online edition of the textbook (with *MyLab*) at the bookstore.

### **Additional Course Resources:**

I will post the instructions for the presentations on **LEARN**. All other documents (e.g., lecture notes) and announcements pertaining to the course will also be posted on **LEARN**. Here is the website:

<http://learn.uwaterloo.ca>.

### **Grading:**

Your grade for this course will be determined as follows:

#### **Optional Weekly Assignments (OWA) using *MyLab*<sup>2</sup> : 15%.**

- Access code for how you will access and complete the weekly quizzes via **MyLab** will be forwarded in the first week of the term.

#### **Midterm (October 9): 25%**

- The midterm will be conducted on the **first five modules** of the course.

#### **Class Presentations (Each Week): 20%**

- Please read carefully the class presentation guidelines (CPG) posted on LEARN. The criteria for the assignment of the class presentation grade will be specified in the CPG.
- Instructions for all presentations will be issued via LEARN in the first week of the term, and you will be responsible **ONLY** for one presentation to be completed with your teammates.
- Presentation teams will be formed randomly, and the schedule of presentations will be issued on LEARN.

#### **Final Exam (TBA): 40%**

- The final exam is scheduled centrally via the registrar's office.

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<sup>2</sup> Those who wish to skip the OWA will have their grades assigned as follows: midterm and class presentations 25% each; the final 50%.

## **Course Outline:**

### **Module 1: Economics and the Economic Problem**

Textbook: Chapters 1 & 2 (Sept. 4 and Sept. 9).

Recommended article: <https://www.investopedia.com/articles/economics/08/economic-thought.asp>

### **Module 2: Demand and Supply**

Textbook: Chapter 3 (Sept. 16 and Sept. 18).

Assigned articles:

1. <https://www.investopedia.com/articles/economics/11/intro-supply-demand.asp>

### **Module 3: Elasticity** (Sept. 23 and Sept. 25).

Textbook: Chapter 4

Assigned article: <https://www.nasdaq.com/articles/good-news-for-pepsico%3A-consumer-reaction-to-price-increases-is-better-than-expected-2021>

### **Module 4: Efficiency and Equity** (Sept. 30).

Textbook: Chapter 5

Assigned articles: 1. <https://www.nytimes.com/2014/03/10/opinion/krugman-liberty-equality-efficiency.html>

Assigned article 2. <https://www.investopedia.com/terms/e/equityefficiencytradeoff.asp>

### **Module 5: Government Actions in the Market** (Oct. 2).

Textbook: Chapter 6

Assigned article 1: <https://fee.org/articles/is-ontario-s-hand-sanitizer-shortage-an-example-of-market-failure/>

Assigned article 2: [Harris's Price-Gouging Ban: Price Controls or No Quick Effect? - The New York Times \(nytimes.com\)](https://www.nytimes.com/2020/03/23/us/politics/harris-price-gouging-ban-price-controls-no-quick-effect.html)

## **Module 6: Consumer Choice and Demand**

Textbook: Chapters 8 & 9 (Oct. 21 and Oct. 23).

Assigned articles: 1. <https://www.forbes.com/sites/prishe/2016/12/06/2016-nfl-tv-ratings-decline-has-diminishing-marginal-utility-finally-set-in/?sh=b74f7dd52171>

2. <https://www.theatlantic.com/business/archive/2013/01/the-irrational-consumer-why-economics-is-dead-wrong-about-how-we-make-choices/267255/>

## **Module 7: Production Output and Cost** (Oct. 28 and Oct. 30).

Textbook: Chapter 10

Assigned article: <https://www.investopedia.com/ask/answers/033015/what-difference-between-economic-profit-and-accounting-profit.asp>

## **Module 8: Perfect Competition** (Nov. 4 and Nov. 6).

Textbook: Chapter 11

Assigned article: <https://blogs.worldbank.org/developmenttalk/when-do-firms-call-it-quits>

## **Module 9: Monopoly** (Nov. 11 and Nov. 13).

Textbook: Chapter 12

Assigned article: <https://www.investopedia.com/insights/history-of-us-monopolies/>

## **Module 10: Monopolistic Competition** (Nov. 18 and Nov. 20).

Textbook: Chapter 13

Assigned articles: 1. <https://hbr.org/2017/07/making-sense-of-our-very-competitive-super-monopolistic-economy>.

2. <https://www.ukessays.com/essays/economics/netflix-microeconomic-analysis-9322.php>

## **Module 11: Oligopoly** (Nov. 25 and Nov. 27).

Textbook: Chapter 14

Assigned article: <https://www.newyorker.com/tech/annals-of-technology/the-oligopoly-problem>

## [Economics Department 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. 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.

**Outlines for ECON 101 and 102 must include the following statement:**

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.

*(The above statement is also recommended for ECON 201, 206 and 207)*

**NEW – Recommended statements to be included on course outlines**

**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.