

University of Waterloo
Department of Economics
Econ 201(002 & 003) - Microeconomic Theory for Business and Policy
Spring – 2021

Instructor: Nafeez Fatima

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Office Hours: Fridays from 10.00 am to 11.30. am

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

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

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 Wesley Publishers Limited, 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.

Remote Instruction

- This course will be conducted entirely online.
- Announcement widget on Learn will be used to communicate with students.
- Tutorial sessions will be held remotely on Tuesdays and Thursdays from 10.00 am to 11.20 am using WebEx. Instruction on how to access the meetings are posted on Learn as an announcement. Recording of these tutorials will be posted on Learn.
- Office hours will be conducted on Fridays from 10.00 am to 11.30 am using WebEx as well. The meeting link, meeting number and password will be posted on Learn as an announcement.
- All relevant materials including course outline, lecture notes, and practice questions for exams will be posted on Learn.
- Learn site is down occasionally. Save the course materials to your computer as soon as they are posted. Always be prepared!

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 tutorial sessions (watch the recordings) 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 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 on June 4. Final exam period for Spring 2021 term is from August 7 to August 16.

Access and Availability of Midterm Exams

- Midterm exams will be available on the dates specified in the course outline.
- Midterms will be available for a 24-hour time period.
- Midterm exams will be written online on Learn as a 'quiz'. There is a 90-minute time limit for each midterm.
- Students may only take a midterm once.

Access and Availability of Final Exam

- The final exams will be scheduled by The Registrar's Office.
- Final exam will be available for a 24-hour time period.
- Final exam will be written online on Learn as a 'quiz'. There is a 150-minute time limit for the final.
- Students may only take the final once.

This grading policy will be implemented strictly for all students in the course with the exception of verified illnesses.

Exam Schedule & Mark Breakdown

Exams	Date	Syllabus	Weight
Midterm 1	Thursday, June 17, 2021	Chapters 2-5	25%
Midterm 2	Thursday, July 22, 2021	Chapters 6-9	25%
Final	TBA	Comprehensive exam	50%

Policy for Missed Midterm Exams

No make-up midterm exam will be provided for this course. Students who do not have a relevant medical certificate will receive a mark of zero on any missed exam and their final grade will be assigned in accordance with the formula specified above. For students who have valid medical certificate (approved by the instructor), the weight of

the missed exam will be transferred to the final exam. Students are advised to notify the instructor in person about the missed exam as soon as they are better. E-mail notification about the missed exam is not accepted.

Policy for Missed Final Exam

For detailed instruction regarding missed final exam, visit the following webpage:
<https://uwaterloo.ca/economics/undergraduate/resources-and-policies/deferred-final-exam-policy>

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.