

**University of Waterloo**  
**Department of Economics**  
**Microeconomic Theory for Business and Policy**  
**Econ 201 - 001**  
**Spring 2021**  
**Class Schedule: Online**

**Instructor and T.A. Information**

Instructor: Wokia Kumase  
Office Hours: Virtual and by appointment  
Email: [wkumase@uwaterloo.ca](mailto:wkumase@uwaterloo.ca)  
T.A. Information: TBA.  
Course ID: **kumase43630**

**Course Communication:**

- Due to the covid-19 pandemic, this course is conducted entirely online. This means there is no possibility to meet on campus and everything will be done through LEARN, the university's course management system (<https://learn.uwaterloo.ca/d2l/home>).
- When sending an email, "Econ 201" must appear in the subject line and the message must include your full name and student ID number.
- Office hours will be done through MS Teams on an individual basis and will not be recorded for obvious privacy reasons.
- Class Video-Session Times:

**Tuesdays, Thursdays: 11:30am – 1:00pm**

**Prerequisites:**

Econ 101. Also required is elementary algebra and calculus.

**Course Description**

This course is an introduction to the analytical foundation upon which nearly all economic models and predictions are based: constrained optimization, equilibrium analysis, and comparative statics. Using these instruments, the course examines the conventional microeconomic theories which attempt to explain the nature of markets and the behaviour of individuals and firms. Understanding the different outcomes is essential for individuals and firms in their decision making process. Topics will include consumer choice, production analysis and firm behaviour in different market structures.

## Course Goals and Learning Outcomes

The goal of this course is to provide students with a thorough understanding and application of micro economic theories that apply to the functions of individual decision makers (consumers and firms) within the economic system. To achieve this goal,

1. We will explore how consumers make decisions and use consumer theory to derive the demand curve.
2. We will also discuss insights consumer theory provides on other aspects of consumer decision-making as well as government policy.
3. We will examine production and costs and see how a firm uses information to make decisions. Producer theory will be used to derive the supply curve in a competitive market.
4. We will evaluate the competitive market outcome, discuss circumstances when markets fail to achieve an optimal outcome and consider the possible role for government.

## Required Text

- Microeconomics, 8<sup>th</sup> 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.

## Notes from the BookStore

### How to Register Your Access Code

1. Go to <https://registration.mypearson.com/>
2. Enter your **Course ID: kumase43630**
3. Sign in if you have used a Pearson product before OR Create a new account
4. Select your access option
  - a) **Redeem the access code** you purchased from the bookstore
  - b) **Purchase the access code** with a credit card or PayPal account
  - c) **Get 14-day temporary access** if you want to try the product first
5. From the "You're Done" page, select "Go To My Courses" to start your course.
6. From now on, you can sign in from [www.pearson.com/mylab](http://www.pearson.com/mylab).

*For a video walkthrough of the process: [MyLab & Mastering Registration](#)*

## Course Participation Policy:

- Though you may work on our class anytime you like during the week, you will need to complete all assessments as scheduled. Also note that there are set due dates and deadlines. Additionally, interacting with your fellow students through the group discussion forum by sharing your experiences, ideas and knowledge could be very helpful.
- It is advisable to spend at least 5 hours each week, reading and completing review exercises for this class. However, the choice of WHEN and HOW long you work each week is up to you.

## Additional Resources Available on Learn

- The lecture overhead slides, summary documents and videos are posted on LEARN (<http://learn.uwaterloo.ca>) and should be considered as a complement and not as a substitute to the textbook.
- 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 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.

<b>I. Introduction</b> Chapter 1: Introduction	<b>Week 1</b>
<b>II. Consumer Theory</b> Chapter 2: Supply and Demand Chapter 3: Applying the Supply-and Demand Model	<b>Weeks 2 - 3</b>
Chapter 4: Consumer Choice Chapter 5: Applying Consumer Theory	<b>Weeks 4 - 5</b>
<b>III. Production and Cost Theory</b> Chapter 6: Firms and Production Chapter 7: Costs	<b>Weeks 6 - 7</b>

#### IV. Markets

Chapter 8: Competitive Firms and Markets  
Chapter 9: Applying the Competitive Model

**Weeks 8 – 9**

Chapter 11: Monopoly  
Chapter 12: Pricing and Advertising

**Weeks 10 – 12**

\*Chapter 14: Oligopoly and Monopolistic Competition  
\*Chapter 10: General Equilibrium and Economic Welfare

#### Course Requirements and Assessment

Examinations in this course are based on the material contained in the assigned textbook readings and presented as lecture contents (which are strong complements, not substitutes). The course grade will be based on 2 midterm exams, 4 quizzes and a take-home final exam.

##### Quizzes:

Quizzes can be accessed by clicking Submit and then Quizzes on the course navigation bar on LEARN. Once you start a quiz, you MUST complete it. You may only take a quiz once.

##### Midterms:

Midterm reminders will be sent out by email. The midterms will cover specific chapters and will be highlighted in the email reminders and also posted on LEARN.

The breakdown is as follows:

Midterm 1	Thursday Jun 03, 11:30am-1:00pm	20%
Midterm 2	Thursday July08, 11:30am-1:00pm	20%
Quiz 1	Tuesday May 25 - Monday May 31	5%
Quiz 2	Monday Jun 14 - Sunday Jun 20	5%
Quiz 3	Monday July 5 - Sunday July 11	5%
Quiz 4	Monday July 26 - Sunday Aug 1	5%
Final exam (comprehensive)	(Aug 7 – Aug 16)	40%

## Examination Policy

### *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.
- Students are advised to notify the instructor in person about the missed exam as soon as they can. **Email notification and scanned VIF about the missed exam is acceptable.**

### *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.
- It is the responsibility of students to ensure that they write exams in the location, date, and time assigned to their sections. Students writing exams in the wrong section are considered not writing exams at all and will receive a zero mark.

## Fee-Arranged Issues

- Students are responsible for administrative matters concerning their course registration including fee arrangements with the Registrar's Office. No make-up work or other remedies will be given for loss of access to LEARN and academic consequences arising from administrative issues with the Registrar's Office.

## Attendance Policy

- Though you may work on our class anytime you like during the week, you will need to complete quizzes and assignments as scheduled. Also note that there are set due dates and deadlines. Additionally, interacting with your fellow students through the group discussion forum by sharing your experiences, ideas and knowledge could be very helpful.

Solutions to classroom exercises will be posted on LEARN but will gladly take them up during organized office hours.

## Online Protocols

- Online group discussions take the place of in-class, face-to-face discussions, so think of them as an opportunity to dialogue with your classmates, not as a monologue that invites little-to-no interaction with the members of its audience.
- Replying to your peers is how you keep the conversation going. Keep your response short but purposeful. You may use a less formal tone in your responses, but always be respectful.

- Disagreement is an important part of academic discourse: when you encounter viewpoints and perspectives that differ from your own, your understanding of the issue under discussion is often deepened. Disagreement can, then, enhance learning; however, it can also result in hurt feelings and a breakdown of communication. To avoid this, it is important to be respectful in the way you communicate your disagreement. It is a good idea to acknowledge your classmate's point of view before suggesting an alternate point of view.

## **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 \(https://uwaterloo.ca/academic-integrity/\)](https://uwaterloo.ca/academic-integrity/) and the [Arts Academic Integrity Office Webpage \(http://arts.uwaterloo.ca/current-undergraduates/academic-responsibility\)](http://arts.uwaterloo.ca/current-undergraduates/academic-responsibility) for more information.

### **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 \(https://uwaterloo.ca/secretariat/policies-procedures-guidelines/policy-70\)](https://uwaterloo.ca/secretariat/policies-procedures-guidelines/policy-70). When in doubt please be certain to contact the department's administrative assistant who will provide further assistance.

### **Discipline**

A student is expected to know what constitutes academic integrity to avoid committing academic offenses and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offense, or who needs help in learning how to avoid offenses (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. For information on categories of offenses and types of penalties, students should refer to [Policy 71, Student Discipline \(http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm\)](http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm). For typical penalties check [Guidelines for the Assessment of Penalties \(http://www.adm.uwaterloo.ca/infosec/guidelines/penaltyguidelines.htm\)](http://www.adm.uwaterloo.ca/infosec/guidelines/penaltyguidelines.htm).

### **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 \(http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm\)](http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm).

**Note for Students with Disabilities**

The Office for Persons with Disabilities (OPD), located in Needles Hall, Room 1132, 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 OPD at the beginning of each academic term.