

University of Waterloo
Department of Economics
ECON 101: Introduction to Microeconomics (Section 002)
Course Outline – Fall Term 2016

Instructor Information

Instructor: Corey Van de Waal

Office: HH 103

Website: <http://economics.uwaterloo.ca/corey-van-de-waal>

Class Meets: 8:30am – 9:20am on Mondays, Wednesdays, and Fridays.

Classroom: DC 1350

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When sending email to your instructor, always use your University of Waterloo email account. "ECON 101" must appear in the subject line and the message must include your *full name and student ID number*.

Office Hours and Other Support Resources

Office hours: Tuesdays from 10:00am – 1pm (Starts September 13th and ends November 29th). Office hours for the Final Exam Period will be announced in November.

If these office hours are not convenient for you, I am also available by arranging a mutually convenient appointment via e-mail.

Economics Clinic: Fall 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 <http://economics.uwaterloo.ca/courses>
- LEARN web site (requires UW user id and password) <http://learn.uwaterloo.ca>

Brief Summary

This course provides an introduction to microeconomic analysis relevant for understanding the Canadian economy. The behaviour of individual consumers and producers, the determination of market prices for commodities and resources, and the role of government policy in the functioning of the market system are the main topics covered.

The course comprises the theoretical essentials of microeconomics and will serve as a prerequisite for virtually every economics class that you will endeavour to take in the future. The course will cover the theory of consumer choice, the economics of production, and will consider different market structures from perfect competition through various types of

imperfect competition. There is a voluminous amount of material to cover in this course. We will attempt to get as far through the topic list as our limited time will allow.

PREREQUISITES: Classroom etiquette and a keen desire to learn.

Course Goals and Learning Objectives

The objectives of this course are for students to

- understand the need for people to make choices and together work towards overcoming the universal problem of scarcity;
- appreciate the relevance of economics in a changing world;
- develop the capacity to apply critical reasoning to economic issues.

At the end of the course, students should be able to

- apply elements of microeconomic theory to understand how consumers and producers make rational decisions;
- be familiar with different market structures, production and costs;
- analyze conceptual problems;
- decompose problems into their economic parts.

Textbook, Coursenotes, and Other Resources

Textbook (Required):

Parkin, Michael and Robin Bade (2016). *Microeconomics: Canada in the Global Environment, 9th edition*. Pearson Education Canada (with accompanying Study Guide (8th edition)). The textbook is available from the UW BookStore.

MyEconLab is not required for this course and will not be used for grading purposes.

Examinations in this course are based on the material contained in the assigned textbook readings and presented as lecture content (which are strong complements, not substitutes...see Policy on Class Attendance).

Readings Available on LEARN

I will be posting the course lecture slides on LEARN before each class. The course lectures will closely follow the course textbook in terms of content and progression – but not in terms of the style of presentation. It is your responsibility to keep yourself current with the assigned textbook readings as well as maintaining an understanding of the lecture content.

- Any additional course materials (news, updates, announcements) will be posted on the LEARN web site <http://learn.uwaterloo.ca>

- The LEARN site is down occasionally. Save the course materials to your computer as soon as they are posted. Always be prepared!
- Students writing test and exams are responsible to save course materials on LEARN before the access to their courses is shut off (normally on the first day of classes of the next term).

Course Requirements and Assessment

The course grade will be based on three midterm exams and a final examination which will be held during the Official Examination Schedule. The breakdown is as follows:

Assessment	Date of Evaluation	Weighting
Midterm 1	Monday, October 3, in class	15% (or 20%, if best)
Midterm 2	Monday, October 31, in class	15% (or 20%, if best)
Midterm 3	Wednesday, Nov. 23, in class	15% (or 20%, if best)
Final Exam	TBA (December 8 – 22)	50%
Total		100%

Notes

- The format for all three midterms and the final exam will be multiple-choice questions.
- The midterm test will be written during class time.
- Midterm marks will be posted on LEARN.
- The final exam period for the Fall Term 2016 is December 8 - 22 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 scheme will be implemented strictly for all students in the course (with the exception of verified illnesses – see below).

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.
- The midterm exam schedule has been set and will not be changed for whatever reason.

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.

Submission of Exam Papers

- 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.

Topics covered

- Introduction to Economics: Chapters 1-2
- The Price System: Chapters 3-6
 - Demand and Supply
 - Elasticity
 - Supply and Demand Applications
- Consumer Behaviour: Chapters 8-9
 - Utility Theory
 - Budget Constraints
 - Indifference Curve Theory
- Producer Behaviour: Chapters 10-11
 - Production
 - Costs
- Market Structures: Chapters 12-15
 - Perfectly Competitive Markets
 - Monopoly
 - Monopolistic Competition
 - Oligopoly
- Additional Topics (as time allows)

Tentative Class Schedule

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.

DATE	LECTURE #	CHAPTER #	TOPICS
Sept. 9/16	-	-	INTRODUCTORY LECTURE
Sept. 12/16	1	1	What is Economics? Graphs in Economics
Sept. 14/16	2	2	Production Possibilities and Allocative Efficiency
Sept. 16/16	3	2	Growth, Comparative Advantage, Specialization and Gains from Trade, Economic Coordination
Sept 19/16	4	3	Demand and Supply
Sept. 21/16	5	3	Demand and Supply, Market Equilibrium, and Predictions
Sept. 23/16	6	4	Price Elasticity of Demand
Sept. 26/16	7	4	Price Elasticity of Demand, the Total Revenue Test, Income Elasticity of Demand
Sept. 28/16	8	4	Cross Elasticity of Demand, Elasticity of Supply, and Elasticity Summary
Sept. 30/16	-	1,2,3,4	Overflow / Midterm #1 Review
Oct. 3/16	-	-	MIDTERM #1 (Covers CHAPTERS 1-4)
Oct. 5/16	9	5	Resource Allocation Methods, Benefits, Costs, and Surplus
Oct. 7/16	10	5	Competitive Market Efficiency, Competitive Market Fairness
Oct. 10/16	-	-	THANKSGIVING
Oct. 12/16	-	-	STUDY DAY
Oct. 14/16	11	6	Price Ceilings, Price Floors, Production Quotas and Subsidies
Oct. 17/16	12	6	Taxes, Free Trade and Social Welfare
Oct. 19/16	14	8	Consumption Choices, Preferences, Utility Maximization
Oct. 21/16	15	8	Predictions of Marginal Utility Theory, New Methods in Explaining Consumer Choice
Oct. 24/16	16	9	Budget Lines, Indifference Curves, Marginal Rate of Substitution
Oct. 26/16	17	9	Best Affordable Choice (Utility Maximization), Price Effect, Substitution Effect, Income Effect
Oct. 28/16	-	5, 6, 8, 9	Overflow / Midterm #2 Review
Oct. 31/16	-	-	MIDTERM #2 (Covers CHAPTERS 5, 6, 8, 9)
Nov. 2/16	18	10	The Firm and its Economic Problem, Technology and Economic Efficiency, Information and Organization.
Nov. 4/16	19	10	Information and Organization, Principal – Agent Problem, Markets and the Competitive Environment, Produce or Outsource?

Nov. 7/16	20	11	Decision Time Frames, Short-Run Technology Constraint.
Nov. 9/16	21	11	Short-Run Cost.
Nov. 11/16	22	11	Long-Run Cost.
Nov. 14/16	23	12	“What is Perfect Competition?” and The Firm’s Output Decision.
Nov. 16/16	24	12	The Firm’s Output Decision, “Output, Price, and Profit in the Short-Run”, “Output, Price, and Profit in the Long-Run”.
Nov. 18/16	25	12	Changes in Demand and Supply as Technology Advances, Competition and Efficiency
Nov. 21/16	26	13	Monopoly and How it Arises, A Single-Price Monopoly’s Output and Price Decision, Single-Price Monopoly and Competition Compared.
Nov. 23/16	-	-	MIDTERM #3 (Covers CHAPTERS 10, 11, 12)
Nov. 25/16	27	13	Single-Price Monopoly and Competition Compared, Price Discrimination, Monopoly Regulation.
Nov. 28/16	28	14	“What is Monopolistic Competition?”, Price and Output in Monopolistic Competition, Product Development and Marketing.
Nov. 30/16	29	15	“What is Oligopoly?”, Oligopoly Games.
Dec. 2/16	30	15	Oligopoly Games, Repeated Games and Sequential Games, Anti-Combine Law.
Dec. 5/16	-	ALL	Overflow / Final Exam Review

Other Policies

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 / course materials to students for any reason.
- In order to maintain a learning environment in this classroom, I expect the highest level of courtesy and professional behaviour from every student. In particular, be respectful of your peers (chatting during lecture is very distracting to those around you and will not be tolerated), be punctual, and turn off all audible ringers on all devices during class.
- As a courtesy to the custodial staff, if you have soda, coffee, water, etc., please dispose of your garbage when you leave the classroom.
- No private conversations in class will be tolerated.

Institutional-required statements for undergraduate course outlines approved by Senate Undergraduate Council, April 14, 2009.

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

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). In addition, read [the Student Grievance Process](https://uwaterloo.ca/arts/current-undergraduates/student-support/student-grievances-faculty-arts-processes) for the Faculty of Arts found at <https://uwaterloo.ca/arts/current-undergraduates/student-support/student-grievances-faculty-arts-processes>.

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. When misconduct has been found to have occurred, **including writing exams in a section that you are not registered in**, 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 \(http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm\)](#).

For typical penalties check [Guidelines for the Assessment of Penalties \(http://www.adm.uwaterloo.ca/infosec/guidelines/penaltyguidelines.htm\)](#).

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](#).

Academic Integrity website (Arts):

http://arts.uwaterloo.ca/arts/ugrad/academic_responsibility.html

Academic Integrity Office (uWaterloo):<http://uwaterloo.ca/academic-integrity/>

Accommodation for Students with Disabilities

Note for students with disabilities:

The [AccessAbility Services office](#), 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 AS office at the beginning of each academic term.