

**University of Waterloo**  
**Department of Economics**  
**Econ 301 – Section 001**  
**Microeconomic Theory II**  
**Fall 2017**  
**Tues and Thurs, 1-2:20 PM AL 105**

**Instructor Information**

Instructor: Ryan George

Office: HH 218

Office Phone: 519-888-4567 ext. 33169 (please do not leave voice mails)

Office Hours: Monday - Thursday 11 am-12 noon or by appointment

Email: r22georg@uwaterloo.ca

The instructor will only respond to emails that include “Econ 301” in the subject line of the message.

**Course Description**

The course deepens the discussion of consumer theory presented in Econ 201 using the mathematical tools acquired in Econ 211. Partial equilibrium models of labour markets and borrowing/saving by households are presented. Welfare measures are introduced that contribute to the evaluation of policy changes and taxes. The final portion of the course examines the allocative efficiency of competitive markets, studied using general equilibrium models. We will see how the presence of externalities can necessitate government intervention to ensure efficient outcomes.

**Course Goals and Learning Outcomes**

Upon completion of this course, students should be able to:

- A. Study portions of the applied microeconomic literature and follow courses that presume an intermediate preparation in microeconomic theory.
- B. Employ the tools of differential calculus (esp. constrained and unconstrained optimization) in developing microeconomic models.

**Required Text**

- Nechyba, Thomas J., 2011, *Microeconomics: An Intuitive Approach with Calculus* (South-Western Cengage Learning).

Several copies of the textbook are on reserve at the Dana Porter Library.

## Readings Available on LEARN

- Lecture notes – pdf files contain statement of main results and problems/examples, to be used as template for taking notes during lecture;
- Announcements, assignments and their solutions, midterm solutions.
- Solutions to recommended textbook problems.

## Course Requirements and Assessment

Assessment	Date of Evaluation (if known)	Weighting
Assignments (3 @ 5% each)	TBA	15%
Midterm 1	October 3 <sup>rd</sup>	20%
Midterm 2	November 2 <sup>nd</sup>	20%
Final Examination	Exam Period (scheduled by Registrar's Office)	45%
<hr/>		
Total		100%

### Assignments

There will be three assignments over the course of the term. Each will count for 5% of the final grade. The assignments will be posted on LEARN, and due in class. Due dates to be announced. Without a prior arrangement with the instructor, *no late assignments will be accepted*. The assignments will involve some problems to be solved using the statistical software.

### Midterm Examination

The midterm exams will be **held in class on October 3<sup>rd</sup> and November 2<sup>nd</sup>**. They will test students' proficiency with the material covered in the lectures, assignments and practice problems.

### Final Examination

The final exam is comprehensive. The date will be set by the Registrar's Office.

### Course Outline (Tentative)

Week	Date	Lecture Topic	Readings Due
1	Sept 7	Introduction to Course; 1. Choice Sets	Ch.2 and Ch.3
2	Sept 12 Sept 14	1. Choice Sets (contd.) 2. Tastes and Utility Functions	Ch.4 and Ch.5
3	Sept 19 Sept 21	2. Tastes and Utility Functions (contd.) 3. Solving Constrained Optimization Problems	Ch.6
4	Sept 26 Sept 28	4. Demand: Substitution and Income Effects <i>Catchup and Midterm Review</i>	Ch. 7 and 9
5	Oct 3 Oct 5	<b>Midterm 1 during lecture Monday, Oct. 3</b> 5. Labour supply and Savings functions, Substitution and Wealth Effects	Ch.8 and Ch. 9
6	Oct 10 Oct 12	<b>No lecture – study days</b> 5. Labour supply and Savings functions, Substitution and Wealth Effects (contd.)	
7	Oct 17 and 19	6. Value Functions and Duality in the Consumer Problem	Ch.10
8	Oct 24 and 26	7. EV, CV, Consumer Surplus and the DWL of Taxation	Ch.10
9	Oct 31 Nov 2	<i>Catchup and Midterm Review</i> <b>Midterm 2 during lecture Friday, Nov. 2</b>	
10	Nov 7 and 9	8. Firm Supply, Labour Demand and Partial Equilibrium 9. Efficient Allocations in a Pure Exchange Economy	Ch.11 Ch.16
11	Nov 14 Nov 16	10. Competitive Equilibrium in a Pure Exchange Economy 11. Pure Exchange and Welfare Theorems	Ch.16
12	Nov 21 Nov 23	12. Externalities	Ch.17
13	Nov 28 Nov 30	12. Externalities (contd.) <i>Course Review and Exam Details</i>	Ch.21

## **Missed Work and Accommodation Regarding Assessment**

If a student is unable to take a midterm exam for documented reasons, the student's mark will be based upon one midterm mark with the balance of the weight shifted to the final exam. If a second midterm is missed for a documented reason, a make-up midterm must be taken.

***Please note that students who decide to take an exam cannot be given accommodation after the fact due to illness or personal complicating factors that may have affected their performance.*** If you are not well on the day of an exam it is advisable that you not take the exam and obtain valid documentation of the circumstances of this decision.

## **Electronic Device Policy**

To avoid disruptions to the learning environment handheld devices must be turned off during the lecture and laptops must be used strictly for lecture-related purposes. If a student's use of a laptop becomes a distraction for adjacent students that student will be asked to discontinue its use.

## **Attendance Policy**

Lectures are an important component of the learning process and should be attended regularly.

## **Economics Department Deferred Final Exam Policy**

Deferred Final Exam Policy is detailed on the department website in the 'Resources and Policies' section of the Undergraduate program page. The web address is

<https://uwaterloo.ca/economics/undergraduate/resources-and-policies/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.

### **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 xt 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.