

ECON 200 B: INTRODUCTION TO MICROECONOMICS

Summer 2019

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Lecture: M-F 10:50 – 11:50 (THO 134)
Office Hours: TBD (SAV 319E)

Disclaimer: This syllabus is tentative and may be subject to change.

Overall Description of the Course:

Economics is the social science of choices. Microeconomics captures how individual economic agents – households, firms, and governments – make decisions and how they interact in markets. In this course, we will address these questions through intuitions, equations, and graphs, building mathematical models to understand these choices and interactions. Note that, although models expressed mathematically may seem simplistic at first, the art of being an economist is to impart economic meaning and conclusions to the results.

We analyze changes in the behavior of individuals and firms in response to changes in the constraints they face, usually the constraints of budgets, prices, and input costs. The course will stress applications of elementary economic theory to real-world problems and issues. Analytical reasoning and mathematical modeling based on fundamental principles are underlined throughout. It is not a class in which you can succeed by just memorizing a set of facts. Experience dictates that practice is critical.

Course Objectives

1. Fundamental knowledge:

- Understand and be able to use microeconomic terminology
- Understand that the highest-valued alternative foregone is the opportunity cost of what is chosen
- Understand how individuals and firms make themselves as well off as possible in a world of scarcity
- Understand how prices inform the decisions about which goods and services to produce, how to produce them, and who gets them
- Understand how government policies and different institutional arrangements affect the allocation of resources in an economy

2. Application:

- Use microeconomic principles to understand and explain economic events and other social phenomena
- Use elements of game theory to explain the strategic choices of individuals or organizations
- Critique the economic content of articles or presentations
- Appreciate the usefulness of economic reasoning in personal decision making

Prerequisites: Just a knowledge of high school algebra. We will go over any other topics as needed.

Course Page: <https://canvas.uw.edu/courses/1303695>. You are responsible for regularly checking it and staying on top of announcements, including the reading and homework schedules.

Required textbook: R. Glenn Hubbard & Anthony O'Brien, "Microeconomics" *Plus MyLab Economics*, 6th Edition.

You can purchase it at the University Bookstore. Alternatively, you may purchase MyLab with an e-book or without one, if you already have it. You could also get an earlier edition, though it may exclude some of the additional topics or problems at the end of chapters, and you would be responsible for any differences.

MyLab Economics homework: <http://www.myeconlab.com>, Course ID: granera76177

Important dates:

Midterm Around week 5 TBD
National Holidays Thursday, July 4th (US Independence Day)
Final Exam Last day of class

Grading:

Midterm 40%
Final Exam 45%
MyLab homework 15%

Homework from MyLab. There will be problem sets assigned in MyEconLab. These will be assigned approximately weekly and will be automatically graded. The questions in this type of assignment check your understanding of the concepts and, on a few occasions, ask you to analyze a problem using those concepts.

Exams. There will be two exams, both conducted in the lecture hall. Please bring a simple scientific calculator. No internet-enabled devices will be allowed as a substitute. The final exam is not cumulative, but requires understanding of the material from the first part of the course. Be aware that exams will only be made up in cases of a properly-documented incapacitating illness, a family emergency, or representing the university in approved sports or cultural activities. It is your responsibility to plan your departure from campus at the end of the quarter to avoid conflicts with the final exam.

The Department of Economics at UW requires that the median GPA for all undergraduate economics courses fall within the range of 2.8 – 3.1. A student who receives a median grade on every assignment can expect a final GPA somewhere in that range.

I reserve the right to reward students who do extremely well on the final and/or show a pattern of sustained improvement throughout the quarter.

This is my procedure for curving scores: Let S be a set of student scores, and $s_i \in S$ the score of student i . For any category, student i 's curved percentage, p_i , is $p_i = \frac{s_i + \alpha(s_{max} - s_i)}{s_{max}}$, where α is such that the median curved percentage lies between 72.5% and 77.5%, and $s_{max} \in S$ is the maximal element in S . At the end of the term, each student i receives a weighted-average curved percentage according to the formula $\bar{p}_i = 0.40p_{i,midterm} + 0.45p_{i,final} + 0.15p_{i,homework}$. The table below provides the conversion from weighted-average curved \bar{p}_i percentages to final grades on the 4.0 grading scale. [Here](#) is some further information on interpreting grades on the 4.0 grading scale.

\bar{p}_i score	4.0 scale	grade	\bar{p}_i score	4.0 scale	grade
100	4.0	A	57.5	2.3	C+
97.5	3.9	A	55.0	2.2	C+
95.0	3.8	A-	52.5	2.1	C
92.5	3.7	A-	50.0	2.0	C
90.0	3.6	A-	47.5	1.9	C
87.5	3.5	A-	45.0	1.8	C-
85.0	3.4	B+	42.5	1.7	C-
82.5	3.3	B+	40.0	1.6	C-
80.0	3.2	B+	37.5	1.5	C-
77.5	3.1	B	35.0	1.4	D+
75.0	3.0	B	32.5	1.3	D+
72.5	2.9	B	30.0	1.2	D+
70.0	2.8	B-	27.5	1.1	D
67.5	2.7	B-	25.0	1.0	D
65.0	2.6	B-	22.5	0.9	D
62.5	2.5	B-	20.0	0.8	D-
60.0	2.4	C+	17.5	0.7	D-

Topics and Chapters:

1. Intro to economic thinking and the market system. [*Chapters 1-2*]
2. Supply and Demand. [*Chapter 3*]
3. Efficiency and government interventions. [*Chapter 4*]
4. Elasticity. [*Chapter 6*]
5. International trade and comparative advantage. [*Chapter 9*]
6. Consumer choice [*Chapter 10*]
7. Firms and production. [*Chapter 11*]
8. Market structures: Perfect competition, monopoly, oligopoly, and monopolistic competition. [*Chapters 12-15*]
9. Other topics, as time permits.

How to study effectively:

- Read the relevant parts of the chapter(s) carefully before each lecture. Try to get a good idea of both the questions asked and the approach (the concept and the reasoning process) to addressing the questions in the textbook.
- Take notes during class, but it is not necessary to copy every slide. The slides will be posted online. You are welcome (and, in fact, *encouraged*) to ask questions during class. Someone else might have the same question!
- After the lecture, attempt the problems and make sure you fully write down the answer to each question using the relevant concepts you have learned. In order to successfully answer a question, ask yourself the following: i) what does the question want me to do? ii) What relevant information does the question provide? iii) How do I go from the given information to the answer? You want to use the concepts and tools for thinking — that you have learned — to answer the question.

Additional resources/ help available:

EUB tutoring:

The Economics Undergraduate Union provides drop-in tutors at Savery 328. For more information, see <http://depts.washington.edu/ecnboard/eub-tutoring/>

The CLUE (Center for Undergraduate Learning and Enrichment) Program:

Econ 200 is a part of the CLUE Program on campus. The CLUE evening study sessions provide extra educational support for students. The CLUE dates and times for Econ 201 will be announced on their website: <http://webster.uaa.washington.edu/asp/website/get-help/clue/home/>

Academic integrity:

Academic integrity is the cornerstone of the Department's rules for student conduct and evaluation of student learning. Students accused of academic misconduct will be referred directly to the Office of Community Standards and Student Conduct for disciplinary action pursuant to the Student Conduct Code and, if found guilty, will be subject to sanctions. Sanctions range from a disciplinary warning, to academic probation, to immediate dismissal for the Department and the University, depending on the seriousness of the misconduct. Dismissal can be, and has been, applied even for first offenses. Moreover, a grade of zero can be assigned by the instructor for the course.

Behavior that constitutes academic misconduct includes but is not limited to cheating on exams or quizzes (copying answers from others, using unauthorized materials, a student not taking their own quiz/exam, etc.), copying homework answers, plagiarism.

You may read more at <http://www.washington.edu/cssc/facultystaff/academic-misconduct/>

Miscellaneous:

There will be no extra papers, assignments, or any other way for you to increase your grade anytime during or after the quarter. In case you aim for a certain grade, in order to prevent the chance of a disappointing grade, you should aim about a 0.4 grade higher than the minimum grade you desire. For example, if you want to make sure you receive a 3.0 in this class please aim for at least a 3.4.

Students are strongly encouraged to ask questions and foster discussion in class. These questions and discussions are useful in helping us all understand economics better.

The text and lectures are considered complementary. That is, a student will be most successful in this class when using both, rather than one or the other. Some material from the lecture may not be covered in the text and vice versa, so it's extremely important to take good notes during lecture as well as read the assigned sections of the text.

Learning the economic way of thinking is a demanding undertaking. This discipline requires at least three sets of skills from students. You need to: i) learn new concepts, vocabulary and, essentially, the language of economics; ii) learn to use abstract tools to model human economic behavior; and iii) learn to apply those tools to understand the likely consequences of various forces (government policies as well as other economic, social and natural events).

As such, applying the tools of economic analysis and ultimately learning the economic way of thinking requires a lot of practice. It is a great idea to form a study group (2-4 members) among peers in your class to discuss the material of the course and/or do practice problems together.

Please do not address the problems in your head only. Rather, use the concepts you learn plus the reasoning process to write out the solutions in full. The analysis is graphical but it also uses a basic level of geometry, algebra, and arithmetic. You should also write out some explanations about your graphical and mathematical solutions.

Exam Taking Rules:

1. Materials allowed during a closed book exam:

- (a) All books, papers, notebooks, etc., must be placed inside your backpack, which must be securely and fully closed. If you do not have a bag, you must place all your material out of your reach.
- (b) Only a basic 4-function or scientific calculator may be used during an exam. No internet-enabled devices will be allowed as a substitute.
- (c) No other electronic devices can be accessible during the exam. Cellphones must be turned off before entering the class and placed in your closed bag (not in your pocket). You are not allowed to use your phone during an exam. Doing so will result in the termination of your exam time.
- (d) Baseball caps and any other kinds of headgear that conceal your eyes are not permitted.

2. Attendance and special accommodation

- (a) If you arrive late to an exam, you cannot expect to get extra time after the official end of the exam to make up for the missing time at the beginning.
- (b) The University of Washington is committed to providing access and reasonable accommodation in its services, programs, activities, education and employment for individuals with disabilities. For information or to request disability accommodation contact: Disability Resources for Students (Seattle campus, matriculated students) at (206) 543-8924, (206) 543-8925, or email at uwdss@uw.edu
- (c) Student athletes who have conflicts with attending any lecture or submitting any assignment should submit a list of such conflicts along with a letter from the athletics department by the end of the first week. I will reasonably accommodate any student athlete who follows this guideline.