

ECON 200E: Principles of Microeconomics
Autumn 2016
Lecture: MW 3:30-5:20 CMU 326

Instructor

Elodie Marlet

Office: SAV 319B

Office hours: Monday 2-3pm, Wednesday 11am-12pm and by appointment

Email: emarlet@uw.edu

In this course, we will analyze how people and firms take decisions and make choices given the various constraints they face: budget, input costs, prices...Topics covered include consumer demand, price setting, resource allocation, interaction of supply and demand in a market, government intervention...You will need to use the tools seen in class to explain why households and firms act the way they do using abstract tools to model human economic behavior. The required textbook for this course is R. Glenn Hubbard and Anthony Patrick O'Brien's Microeconomics, 6th edition (older versions are fine to use). The student learning goals for the course will be:

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 affect the allocation of resources in a market economy
- Understand how market structure influences the allocation of resources

Application

- Use microeconomic principles to understand and explain economic events and other social phenomena under a competitive market structure
- Use elements of game theory to explain the strategic choices of individuals or organizations
- Critique the economic content of articles or presentations

Course Website: <https://canvas.uw.edu/courses/1064542>

All the documents and files related to this course will be posted on the Canvas website. To complete the homeworks, you will also need an access to the companion website, MyEconLab (MEL). There are several ways to sign up for it:

- 1) Purchase a new hard copy of the Hubbard & O'Brien (H&O) textbook and access to MEL at the bookstore
- 2) Purchase the H&O ebook and access to MEL on the bookstore website
- 3) If you want to get a used or older version of the textbook, you will need to purchase the access to MEL separately on myeconlab.com.

Additional help

This class has a CLUE session (more information available on depts.washington.edu/aspw/clue/home/). Moreover, the Economics department offers tutoring session (<https://econ.washington.edu/economics-undergraduate-board>).

Grading

- MyEconLab homework (15%, due every Monday night at 11pm)
- 3 article responses (21%, or 3x7%)
- First exam (32%)
- Second exam (32%, non-cumulative)

Grades are typically not curved in this class and you can expect the median to be between 2.9-3.1. Cheat sheets, graphing calculators or internet-capable devices are NOT allowed in exams.

MyEconLab homework

MyEconLab homework are a set of multiple choice questions automatically graded and transferred to CanvasGradebook. The questions in this type of assignment check your understanding of the concepts and on some occasions ask you to analyze a problem using the concepts you have learned. **The homework will be available from Tuesday 1am to the following Monday 11pm, except for the following homework:**

-Homework 0: available from 09/28 6pm to 10/04 11pm (not graded, this is just an introduction to MyEconLab homework)

-Chapter 1 homework: available from 09/28 6pm to 10/04 11pm

-Chapter 13 homework: available from 11/29 1am to 12/09 11pm

-Chapter 14 homework: available from 11/29 1am to 12/09 11pm

Article responses

Throughout the session, you will have to submit three article responses. For each response, you will need to find an article from a major newspaper or periodical (either in paper format or online) that was written since the beginning of the quarter and relates to a topic seen in class

after the previous response article was due. Articles from aggregators (Google, Yahoo, AP...) or opinion papers (articles from the Economist for example) are not acceptable.

You must describe, in your own words, the issues presented in the article, and then summarize how the material taught in class explains the information, events, or phenomenon in the article. This economic explanation must relate to a theoretical graph (one with some sort of equilibrium, like Supply and Demand, the PPF, etc). The graph must be drawn and included in your response.

Your response should be no more than two pages long (one page of writing and one page for your graph) and will be submitted on Canvas. Responses will be evaluated in a very simple manner, out of 5 points:

- 5 Points: Successfully and correctly a) summarizes the article (gets the facts right), b) assess the relationship between the article and the class/textbook, c) includes a theoretical, analytical graph
- 4 Points: Didn't do one of the things necessary for a 5-point answer correctly
- 3 Points: Didn't do two of the things necessary for a 5-point answer correctly
- 2 Points: Write-up is not satisfactory, but the article is from the relevant time period, and addresses a relevant issue.
- 1 Point: Write-up is not satisfactory, and the article does not cover relevant issues
- 0 points: No response submitted.

Notice: The University has a license agreement with VeriCite, an educational tool that helps prevent or identify plagiarism from Internet resources. Your instructor may use the service in this class by requiring that assignments are submitted electronically to be checked by Vericite. The Vericite Originality Report will indicate the amount of original text in your work and whether all material that you quoted, paraphrased, summarized, or used from another source is appropriately referenced.

VeriCite will accept any file format, as well as in-line text submissions. Multiple files may also be submitted by using a zip file or uploading them one at a time.

The article responses are due:

-First article response: Sunday, October 16th at 11:59pm.

-Second article response: Sunday, November 13th at 11:59pm.

-Third article response: Sunday, December 4th at 11:59pm.

I will deduct 2 points off for any late submission.

Exams

There will be two exams during the session: a first exam and a second exam (non-cumulative). There is typically 5-6 non-multiple choice questions in each exam. Unless specified, write your answer and clearly explain how you got it in a concise manner. If you make any assumptions, please state them up front. You will need a calculator for some of the questions so please bring a simple 4-function or a scientific calculator to your exams. Graphing calculators are not allowed in any of the exams in this course. Finally you may only be given an early or make-up exam if you provide a doctor's note or an excused absence for participation in university athletics.

Exam 1: Monday, October 31st at 3:30-5:20pm in CMU 326

Exam 2: Thursday, December 15th at 2:30-4:20pm in CMU 326

Attendance

Attendance is not mandatory, but strongly encouraged. If you miss class, please speak to a fellow student in your class to get the notes and consult the class website for important announcements as well as lecture notes.

Disability Accommodations

Please contact me as soon as possible if you have a documented disability and need accommodations. Information for documenting your disability can be found here:
<http://depts.washington.edu/uwdrs/>

Student Athletes

Please approach me as soon as possible if you will be missing any important dates for this course due to your athletic activities, especially exams. You should have official documentation of these dates.

Plagiarism and Cheating

Cheating is unfair to your fellow students and I will pursue disciplinary actions against anyone caught cheating. Please see the Department of Economics full statement on cheating on the last page.

Course Outline

Part I: Foundations of Microeconomics

week 1. Introduction to economic thinking and the market system (Postulates of consumer behavior, positive and normative analysis, scarcity, math review) (chapter 1)

week 2. Opportunity cost (OC, comparative and absolute advantage, PPF) (chapter 2)

week 3. Consumer choice (MV and TV, $MU_{per\$}$, income/substitution effect, BC, D curve) (chapter 10)

week 4. Elasticity (consumption elasticity, revenue variation, negative slope of Demand curve) (chapter 6) – **1st article response due Sunday, October 16th at 11:59pm**

week 5. Firms and production 1 (competitive markets, APL, MPL, MC, AC, ATC, AVC, SR/LR) (chapter 11) – Review session for exam 1

Exam 1: week 6 – Monday, October 31st at 3:30-5:20pm in CMU 326

Part II: Markets

week 6. Firms and production 2 (chapter 12) - Market equilibrium: combining demand and supply (causes and effects of shifts in D and S) (chapter 3)

week 7. Economic efficiency and government intervention (taxation, subsidy, deadweight loss) (chapter 4)

week 8. Externalities (Positive/negative externalities, pigovian tax, types of good, coase theorem) (chapter 5) – **2nd article response due Sunday, November 13th at 11:59pm**

week 9. Gains from trade (world market, tariffs, quotas) (chapter 9)

week 10. Other market structures: monopolistic competition, oligopoly (chapters 13 & 14)

week 11. Other market structures: monopoly (chapter 15) Review session for exam 2 –

3rd article response due Sunday, December 4th at 11:59pm

Exam 2: Thursday, December 15th at 2:30-4:20pm in CMU 326

Academic Honesty

1. Exams are individual work and cheating will not be tolerated. You are not allowed to look at your neighbors' exams. Doing so will result in the termination of your exam time.
2. Altering an exam before submitting it for a review of the grading, obtaining an advance copy of an examination, or arranging for a surrogate test-taker are all flagrant violations of University policy.
3. Cheating of any kind may result in expulsion from the University. The Department will follow University policy in case of academic misconduct. I strongly recommend that you review University policy at <http://www.washington.edu/uaa/advising/help/academichonesty.php> . Students found to have engaged in academic dishonesty will be subject to sanctions, which range from a disciplinary warning to permanent expulsion from the University, depending on the seriousness of the misconduct.

The following message is forwarded to you from UW Human Resources.

UW SafeCampus

Preventing violence is everyone's responsibility. If you're concerned, tell someone.

- * Always call 911 if you or others may be in danger.
- * Call 206-685-SAFE (7233) to report non-urgent threats of violence and for referrals to UW counseling and/or safety resources. TTY or VP callers, please call through your preferred relay service.
- * Don't walk alone. Campus safety guards can walk with you on campus after dark. Call Husky NightWalk 206-685-WALK (9255).
- * Stay connected in an emergency with UW Alert. Register your mobile number to receive instant notification of campus emergencies via text and voice messaging. Sign up online at www.washington.edu/alert

For more information visit the SafeCampus website at

www.washington.edu/safecampus