

# Syllabus

<b>Institution:</b>	University of Washington
<b>Term Dates:</b>	Autumn Quarter, Sept 27–Dec 8, 2017
<b>Course Name:</b>	Introduction to Microeconomics
<b>Course Code:</b>	ECON 200 G
<b>Prerequisites:</b>	None
<b>Academic Credits:</b>	5 credits
<b>Instructor:</b>	Rory Mullen
<b>Email:</b>	rmmullen@uw.edu
<b>Office Hours:</b>	Wednesdays and Thursdays, 7:00-7:30pm, in Canvas chat
<b>Lectures:</b>	Monday through Friday, 10:30-11:20am, LOW 205
<b>Homework:</b>	Mondays 10:30am, submit via Canvas
<b>Midterm:</b>	Oct 30, 10:30-11:20am, LOW 205
<b>Final:</b>	Dec 11, 8:30am-10:20am, LOW 205
<b>Website:</b>	<a href="https://canvas.uw.edu/courses/1116501">https://canvas.uw.edu/courses/1116501</a>
<b>Textbook:</b>	Mankiw, G. (2014). <i>Principles of Microeconomics, 6th Edition</i> . Cengage Learning

## Introduction and Overview

Welcome to ECON 200 G, Introduction to Microeconomics. The syllabus is designed to outline the topics we'll cover this term and the policies that will keep the course running smoothly. Over the next 11 weeks, we'll think about some classical topics in microeconomics, like the determination of prices and the distribution of income, and some current policy issues facing the United States, like how to design the tax system and how to reduce economic inequality. We'll also look abroad to see how other countries are tackling similar issues.

The first part of the course introduces you to the economist's way of thinking and working. In week 1, we discuss a few general statements about the world that many economists hold to be true, also some points about applying scientific methods to a social science like economics. In week 2 we discuss trade—between people or countries—and argue that trade generally makes us better off. When we trade, we do so in markets. The second part of the course introduces you to an idealized market that has been stripped of realistic features and distortions. As a reward for taking a stylized view, we gain a set of useful and intuitive results regarding price determination in week 3, and regarding buyer and seller reactions to price changes in week 4. In week 5 we examine the effects of government interventions like taxes or price controls on supply and demand in an otherwise ideal market, and we prepare for the midterm. In part three we measure the effect that government interventions have on overall well-being. In week 6 we set a benchmark for well-being as the level achieved in the idealized market. Then in week 7 we ask what effect taxes have on well-being relative to this benchmark. We find that taxes generally reduce well-being in the idealized market. So why do we impose taxes? One answer is that real markets are not ideal, they're subject to many imperfections that lower well-being. You should take away from part four of the course that market imperfections often justify government interventions. In week 8 we discuss an important class of imperfections, called externalities. In week 9 we look at the U.S. tax system as an example of

government intervention. Tax reform is on the President's current policy agenda, and this material should help you evaluate his proposals. In the final weeks of class we move to part five on the distribution of income and prepare for the final exam.

Our textbook is Mankiw, G. (2014). *Principles of Microeconomics, 6th Edition*. Cengage Learning. It's a well-regarded textbook, and the course slides, homework, and exams are based on it, so it's important that you read it.<sup>1</sup> In addition to readings from the textbook, you'll have occasional readings from newspapers and online sources as part of your homework.

We have a few learning goals for this course. The first set of goals relates to your stock of theoretical knowledge. By the end of the term, you should know the standard microeconomic concepts and terminology, and have in your mind some simple models of price determination and buyer and seller behavior and well-being in various market settings. You should understand the concept of opportunity cost, and the role that scarcity plays in economic decision-making. The second set of goals relates to your ability to apply this knowledge. This means analyzing news and forming opinions that you can support with theory or data. It also means evaluating the economic policies that government officials propose. You should be able to explain to friends how specific policy proposals will likely affect behavior and well-being. You may also find uses for your microeconomic knowledge in your daily life.

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<sup>1</sup>[Here's](#) an early review from *The Economist* of Mankiw's *Principles* series.

## Schedule of Topics

This table gives you an overview of the topics we plan to cover. The schedule is tentative, and you should keep track of any changes that I announce in class or on Canvas.

Week	Dates	Textbook Reading	Remarks
1	Sep 27–Sep 29	Ch 1, 2. Ten Principles, Thinking Like an Economist	
2	Oct 2–Oct 6	Ch 3. Interdependence and the Gains from Trade	
3	Oct 9–Oct 13	Ch 4. The Market Forces of Supply and Demand	
4	Oct 16–Oct 20	Ch 5. Elasticity and its Application	
5	Oct 23–Oct 27	Ch 6. Supply, Demand, and Government Policies	MIDTERM: Oct 30, 10:30-11:20am, LOW 205
6	Oct 30–Nov 3	Ch 7. Consumers, Producers, Market Efficiency	
7	Nov 6–Nov 10	Ch 8. Application: The Costs of Taxation	NO CLASS Nov 10, Veterans Day
8	Nov 13–Nov 17	Ch 10. Externalities	
9	Nov 20–Nov 24	Ch 12. The Design of the Tax System	NO CLASS Nov 23-24, Thanksgiving
10	Nov 27–Dec 1	Ch 20. Income Inequality and Poverty	
11	Dec 4–Dec 8	Ch 20. Income Inequality and Poverty, cont'd	
12	Dec 9–15	Finals week	FINAL: Dec 11, 8:30am-10:20am, LOW 205

## Policies and Procedures

Here you'll find information about attendance, assignments, and due dates, about how to ask for help, about the exams you'll take and how they're graded, about late work and extra credit—in short, you'll find everything you need to succeed in this course. Please read this section carefully, and return to it often.

**Attending Lectures.** I recommend that you attend lectures. Students who regularly miss lectures regularly do poorly on exams, and exams make up most of your grade. If you do miss class, you're responsible for the material you miss and you should get notes from a fellow student.

**Reading the Textbook.** Students typically retain 30–40% of lectures, so you should reinforce lecture material by reading the textbook. Read ahead of the lecture if you can. View the textbook reading as essential exam preparation.

**Office Hours.** Office hours give you a chance to ask in-depth questions about course material. I hold them Wednesdays and Thursdays, 7:00-7:30pm in Canvas chat. Sign up 24 hours in advance using the scheduler in your Canvas calendar. I usually announce additional face-to-face office hours before exams. If you would like to meet outside of office hours, please email me 1 week in advance.

**Email.** I try to answer emails within 24 hours. Please avoid saving your questions until the night before an exam, because my reply might come too late to be useful. I never check Canvas messages.

**Work Load.** At the University of Washington, 1 credit represents a time commitment of 3 hours each week in a 10-week quarter. This course has 5 credits, so expect to spend about  $3 \times 5$  hours per week on this course, including time spent in class, on reading, homework, and other study.

**Homework.** I post weekly homework assignments to Canvas. Homework is due Mondays 10:30am, submit via Canvas. You get full points if you attempt each problem. I post solutions to textbook problems on Canvas after due dates. You should check your work against the solutions, restudy material that you get wrong, and ask questions when you don't understand.

**Late work.** I accept late homework without penalty until the final exam. If you fall too far behind on homework you'll do poorly on exams, and that gives you an incentive to keep up.

**Exams.** There are two exams: a midterm and a final. The midterm includes material covered up to but excluding the week of the midterm, the final includes all material. Both exams consist of a multiple choice section and a section with longer analytical problems. Notes are not allowed unless I indicate otherwise.

**Repeating and Rescheduling Exams.** You won't be able to repeat exams you have taken, reschedule exams you have missed, or take exams early for any reason. If you miss an exam, you'll receive zero points on that exam. Request exceptions in writing and only if your circumstances are extreme. Please include documentation of your circumstances in your request. If you're ill, you'll need a letter or email from your care provider, dated the day of the exam.

**Grading.** I post grades on Canvas. To calculate final grades, I use the following weights: homework 20%, midterm 40%, final 40%. The economics department sets a target range of 2.8–3.0 for the median grade in this course. I adjust point scores from homework and exams to achieve a median within this range.

For the adjustment, I follow the department’s procedure: For any set of point scores, I first remove outliers, which I view to be scores whose distance from the median score exceeds twice the interquartile range, and then calculate the mean and standard deviation. To convert point scores to grades on the 4.0 scale, I calculate an adjustment value from each student’s point score and compute grades as the adjustment value plus 2.9, rounded to the nearest tenth, provided the computed grade lies between 0.7 and 4.0. If the computed grade is below 0.7 the student fails, if it’s above 4.0 the student receives a grade of 4.0. The adjustment value equals a student’s point score minus the mean, divided by the standard deviation.

Example: 5 students earn point scores  $\{0, 1, 2, 3, 4\}$ . The lower quartile equals 1, the median 2, the upper quartile 3, and interquartile range 2. Outliers are scores above 6 or below  $-2$ , so there are no outliers. The mean is 2, and the standard deviation 1.58. If your score is 3, you receive an adjustment value of 0.63, and your grade is  $2.9 + 0.63 = 3.53$ , rounded down to 3.5.

I reserve the right to change the target median and curving procedure at any point in time for any set of student scores. [Here](#) is some information on interpreting the 4.0 grading scale.

**Extra Credit.** I don’t offer extra credit.

**Course Evaluations.** You’ll have the opportunity to evaluate this course toward the end of term, and I’m grateful for your feedback, which I use to improve my teaching and the design of the course. Evaluations are anonymous and only take ten minutes to complete. If more than 90% of the class fills out an evaluation, you can use a handwritten  $3 \times 5$ -inch note card on the final exam.

**University Holidays.** Class is canceled on the following university holidays: Nov 10, Veterans Day; Nov 23–24, Thanksgiving. If you have a religious observance on [this](#) list that overlaps with scheduled classes or exams, please contact me in the first week of class.

**Learning Accommodations.** My goal is to make this class as inclusive and accessible as possible. If you have a health condition that requires accommodations, please let me know during the first week of class. You should also contact Disability Resources for Students to coordinate learning and testing accommodations.

**Misconduct.** Please review the [university](#) and [department](#) rules for student conduct. If I suspect academic misconduct of any kind, I’m forced to refer you to the Office of Community Standards and Student Conduct for disciplinary action. If guilty, you’ll receive a disciplinary warning, academic probation, or immediate dismissal from the university or department, depending on your misconduct. I may also assign you a failing grade for the course.