

ECON 300: Intermediate Microeconomics,
Summer 2015, Judith Thornton, Savery 131
Class Hours: Daily 10:50-1:00; Office Hours Daily 10:00-10:45; and by appointment
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Course Description: In this course we analyze the economic behavior of individuals and firms, exploring how they respond to changes in the opportunities and constraints that they face and how they interact in markets. We develop basic tools that are used in many fields of economics, including household economics, labor economics, production theory, international economics, natural resource economics, public finance, and capital markets.

We use microeconomics as a problem-solving tool to ask questions and to set up and solve qualitative and quantitative problems that allow us to think analytically about events that take place in the real world. We seek to apply a set of propositions or theories that will allow us to state refutable propositions and to predict the likely outcomes of changes in public policies. Developing the ability to use microeconomic tools actively to set up and solve problems takes time. The best way to acquire skill in problem-solving is intensive practice. There will be regular problems sets building on graphical and quantitative tools, applying algebra and calculus. You will get additional practice by doing a few problems from the on-line web exercises for each chapter.

I will give you frequent practice problems. Students may work together in groups or get help from others in doing the homework. There is no cost to making a mistake on the homework, since you will have frequent in-class quizzes measuring your ability to use the economic theories to solve problems.

Learning Goals:

Fundamental Knowledge

Understand how individuals and firms respond to changes in opportunities and constraints in a world of scarcity;

Understand how prices inform decisions about what to produce, how to produce, and who receives goods and services;

Understand how government policies affect the allocation of resources in a market economy;

Understand how market structures and economic arrangements influence the behavior of decision-makers and the allocation of resources.

Applications

Use microeconomic theory to understand and explain economic behavior;

Use calculus and the Lagrangian method to solve constrained optimization problems;

Consider decision-making in uncertain and imperfectly competitive environments to analyze the strategic choices of decision-makers;

Evaluate the economic content of publications and presentations;

Develop the skill to apply economic reasoning in thinking about real world economic choices.

Prerequisites: ECON 200 and 201 and calculus.

Text: *Microeconomics* (Seventh Edition, on-line together with web-based homework.) by Jeffrey M. Perloff. Students may substitute any version of Perloff's Fourth, Fifth, or Sixth Edition in place of the Seventh Edition, if they prefer, but they will need to subscribe to the we-based homework. The chapter assignments are listed in the Syllabus, below. (Be sure to read the cross-chapter examples and Appendices.)

Grading: There are frequent brief quizzes. The final grade for the course is based on six brief quizzes. Each quiz is worth 15 points. Students receive an additional 10 points for completing any five out of six homework assignments. Make-up exams will be given only under extraordinary circumstances that can be documented with a note from a physician.

Academic Integrity: Students in this class are encouraged to work together when they are doing homework and practice problems. However, students are accountable for their own performance on

quizzes and exams. 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 from 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.**

Readings and assignments follow the schedule, below.

	July 20-24	July 27-31	Aug 3-7	Aug 10-14	Aug-17-21
Monday		Applying Supply and Demand Reading: Ch 3 Homework 1 Quiz 1	Firms and Production Reading: Ch 6.1 - 6.3	Competition and Welfare Reading: Ch 9 Homework 4	Oligopoly Reading: Ch 13.1 - 13.4
Tuesday		Consumer Choice Reading: Ch 4	Long-Run Production Readings: Ch 6.4 - 6.6 Homework 3	Quiz 4	Oligopoly Reading: Ch 13.5 - 13.8 Homework 6
Wednesday		Consumer Choice Reading: Ch 4 Homework 2	Costs Readings: Ch 7	Monopoly Reading: Ch 11	Game Theory Reading: Ch 14
Thursday	Market System, Math Review Reading: Ch 1, Math Review (web)	Applying Consumer Theory Reading: Ch 5	Quiz 3	Pricing and Market Power Reading: Ch 12 Homework 5	Factor Markets Reading: Ch 15
Friday	Supply and Demand Reading: Ch 2	Quiz 2	Competitive Markets, Ch 8	Quiz 5	Quiz 6