

University of Washington
Department of Economics
Winter 2018

ECON 200K: Introduction to Microeconomics
Tuesday and Thursday 15:30 – 17:20 in SMI 404

Instructor Kathy Heejung Jung

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Course Description: The objective of this course is to provide you with an introduction to, and overview of, the most important concepts and constructions in microeconomics. Economics is the study of choices made under constraints of budgets, prices, and input costs. In this class, you will learn not only a set of tools for analyzing economic markets at the “micro” or individual level, but a way of thinking about human decision making and choices in the face of scarcity.

Learning Objectives:

1. Fundamental Knowledge

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

2. Application

- Use microeconomic principles to understand and explain economic events and other social phenomena
- Critique the economic content of articles or presentations

Textbooks and Readings: The main text for this course is N. Gregory Mankiw's Principle of Microeconomics, 8th edition. You can also refer to R. Glenn Hubbard and Anthony Patrick O'Brien's Microeconomics, 6th edition. Earlier editions of the textbook are fine but it may lack additional problems at the end of the chapter. Daily reading assignments are posted on the class website and students are expected to have done the assigned reading before class.

Assessment: There will be two exams, weekly homework, and article responses. Your final course grade will be determined as follows:

20%	Homework
70%	Exams
10%	Article Response

Homework

To give you practice in working problems, I will assign weekly problem sets. Homework will be posted online and will be due before class by the due date. The questions will be designed to check your understanding of the concepts and ask you to analyze a problem using the concepts you have learned.

Exams

There will be two exams, neither is cumulative. Exams will be graded for clarity and accuracy. Please mark your final answer and clearly show the steps that you took to arrive at that answer. If you make any assumptions, state them up front. If it is not clear, concise, and legible, you risk receiving no credit, no matter how well you understand the material. All exams are closed-note and closed-book, and have short- and long-form questions. You are allowed to bring a non-programmable calculator. You will NOT be allowed to use graphical calculators or any other electronic devices. Your exams are collectively worth 70% of your grade; exam 1 and 2 are worth 35% each.

Make-up exams will only be given for exam 1 if you provide a doctor's note or documentation for participation in university athletics. In the case of missed exam 1 due to unanticipated emergency, make-up exam may be given provided I am notified as soon as possible and verification of the emergency is given. However there is NO make-up for exam 2. If you miss exam 2, you will be given zero for a grade in that test. I will then calculate your course grade including the zero grade in the final exam. If you let me know early and provide documentation from a clinic about a sudden illness or other unexpected event, I may be able to give you an incomplete grade.

Article Response

You will submit two written assignments over the quarter. For each, you will find a news article from a major newspaper or periodical (either in its physical format or online incarnation) that 1) was written since 2017, and 2) relates to a course topic taught after the previous response was due. I will not accept articles from aggregators (Google, Yahoo, AP feeds, etc), nor from blogs or opinion pieces, even if they are hosted on news sites.

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. You must submit your response and the article itself as well in-class by hard copy. Also you must follow the form provided and keep it brief – no longer than one page of writing.

Additional Help: The economics department has free tutoring through the Economics Undergraduate Board (EUB): <https://depts.washington.edu/ecnboard/eub-tutoring/>. The CLUE evening study sessions also provide extra educational support for students. The CLUE schedule is at: <http://depts.washington.edu/clue/index.php>

Grades: The grades in this class are not curved. Rather, there is a (preliminary) grade scale on the basis of which I determine course grades. The grading policy of the Department of Economics sets the upper boundary for the median grade in principles of economics courses at 3.0. I will maintain a median grade for this course in the 2.8 – 3.0 range. If the median grade for the course happens to be outside of 2.8 – 3.0 range on the preliminary grade scale, I will adjust the grade scale accordingly.

Academic Integrity:

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 the Dept. of Economics policy at: <https://econ.washington.edu/policy-academic-conduct>. 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.

Students with Disabilities: 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: If you are a student athlete and will need special accommodations, it is your responsibility to notify me in a timely and appropriate manner, and to support your request for special accommodations by providing appropriate documentation.

Course Outline: Below is a tentative schedule for the quarter. Please consult the course website for a complete reading list. You are expected to have read the assigned chapters before class.

Part I: Markets

WEEK 1: Introduction to Economics and Economic Thinking
Mankiw Chapter 1 and 2, Hubbard O' Brien Chapter 1

WEEK 2: Trade
Mankiw Chapter 3, Hubbard O' Brien Chapter 2

WEEK 3: Market Equilibrium – Combining Supply and Demand
Mankiw Chapter 4, Hubbard O' Brien Chapter 3

WEEK 4: Elasticity and Welfare
Mankiw Chapters 5 and 7, Hubbard O' Brien Chapter 6

WEEK 5: Market Efficiency, Government Policies, and Externalities
Mankiw Chapters 6, 8, and 10, Hubbard O' Brien Chapters 4 and 5

Exam 1: February 8th, Thursday 15:30 – 17:20

Part II: Firms

WEEK 7: Production and Costs
Mankiw Chapters 11 and 13, Hubbard O' Brien Chapter 11

WEEK 8: Competitive Market
Mankiw Chapter 14, Hubbard O' Brien Chapter 12

WEEK 9: Monopoly, Monopolistic Competition, and Oligopoly
Mankiw Chapters 15, 16, and 17, Hubbard O' Brien Chapters 13, 14, and 15

WEEK 10: Labor Market
Mankiw Chapter 18, Hubbard O' Brien Chapter 17

Exam 2: March 15th, Thursday 16:30 – 18:20