

## ***Econ 200C: Introduction To Microeconomics (Spring 2020)***

Instructor: Lia Xu [liaxu@uw.edu](mailto:liaxu@uw.edu)

Office Hours: Tuesday 9:00 – 11:00 AM and by appointment

Class Online Meetings: Mon/Wed, 8:30 – 10:20 AM

Class Website: <https://canvas.uw.edu/courses/1372169>

### ***What is Economics?***

Economics is the study of how humans make choices under constraints. Those constraints are typically due to scarcity or tradeoffs, and usually take the form of budgets, prices, or input costs. In this class, we study the choices made by individuals and firms (that's the micro in microeconomics).

### ***Required Materials:***

Book Title: Microeconomics (2nd edition)

Author: Dean Karlan and Jonathan Morduch

ISBN: 9781259813337

Publisher: McGraw-Hill Education (<https://www.mheducation.com/home.html>)

Software: MH Connect (sold @ UW Bookstore or buy direct)

Important info about the textbook: You need to have some version of the textbook as well as access to the Connect online homework system to complete this class. The options I am aware of are: buy the book new at the bookstore and get the online access code included, buy only the online access code at the bookstore and gain access to the electronic version of the book, or buy online access directly through the MH Campus link on this page (includes e-book). That may actually be the least expensive option. You get a free two week trial of the homework and e-book through the MH Campus link, so please use that if you are not sure what to buy or whether you will stay in the class.

### ***Learning Goals:***

- 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
- Use microeconomic principles to understand and explain economic events and other social phenomena
- Critique the economic content of articles or presentations
- Appreciate the usefulness of economic reasoning in personal decision making

## **Grading:**

<b>Tasks</b>	<b>Percentage %</b>	<b>Due Dates</b>
MH Connect Weekly Homework	25%	Every Monday Midnight
2 Writing Assignments	15%	May 1st & June 5th
Quiz 1	10%	Apr 15th
Midterm 1	15%	Apr 27th
Quiz 2	10%	May 11th
Quiz 3	10%	May 20th
Midterm 2	15%	Jun 3rd

Grading Guidelines: Following the Econ Department grading guidelines, I am aiming for a median of 3.0 for the class and I can curve the grades to keep the median at 3.0.

## **Core Material and Detailed Schedule:**

The **core** material that will be covered in Econ 200 :

1. The foundational concepts including scarcity and opportunity cost.
2. Developing the understanding of consumer demand, Marginal Benefit or Marginal Value concepts.
3. Developing an understanding of supply and costs, including decisions of firms to employ factors of production like labor in a competitive labor market.
4. Analysis of market equilibrium in competitive markets and the role of market prices in coordinating the actions of the two sides of the market.
5. The role of government in competitive markets: taxes, subsidies, correcting externalities and price controls.

<b>Date</b>	<b>Topics</b>	<b>Reading(s)</b>
Week 1 03/30/2019	1. Syllabus + Introduction 2. Opportunity Cost	Chapter 1
Week 1 04/01/2019	1. PPFs and Production 2. Absolute/Comparative Advantage 3. Specialization and Trade	Chapter 2
Week 2 04/06/2019	1. Market Structures 2. Demand Curves	Chapter 3.1 - 3.3
Week 2 04/08/2019	1. Supply Curves 2. Market Equilibrium 3. Impact of Curves Shifting on Equilibrium	Chapter 3.4 - 3.7

Week 3 04/13/2019	<ol style="list-style-type: none"> <li>1. Price Elasticity of Demand</li> <li>2. Determinants of Elasticity</li> <li>3. Price / Quantity Effect</li> <li>4. Cross-price / Income Elasticity of Demand</li> </ol>	Chapter 4
Week 3 04/15/2019	<ol style="list-style-type: none"> <li><b>1. Quiz 1 on Chapter 1-4</b></li> <li>2. Consumer / Producer Surplus</li> <li>3. Economic Efficiency</li> <li>4. Efficiency and Deadweight Loss</li> </ol>	Chapter 5
Week 4 04/20/2019	<ol style="list-style-type: none"> <li>1. Price Ceilings and Floor</li> <li>2. Taxes/ Subsidies and Welfare Impacts</li> <li>3. Elasticity and the Impact of a Market Intervention</li> </ol>	Chapter 6
Week 4 04/22/2019	<ol style="list-style-type: none"> <li>1. International Trade</li> <li>2. Tariff</li> <li>3. Quota</li> <li>4. Review for Midterm</li> </ol>	Chapter 17
Week 5 04/27/2019	<b>Midterm 1 on Chapter 1-6 and 17</b> <b>WA 1 due this Friday</b>	
Week 5 04/29/2019	<ol style="list-style-type: none"> <li>1. Externalities and Efficiency</li> <li>2. Private Solutions: The Coase Theorem</li> <li>3. Public Solutions: Pigovian Taxes and Subsidies and Quotas</li> </ol>	Chapter 18
Week 6 05/04/2019	<ol style="list-style-type: none"> <li>1. Firms, Profits and Costs</li> <li>2. Implicit and Explicit Costs</li> <li>3. Average and Marginal Product</li> <li>4. Total Cost, Average Cost and Marginal Cost</li> </ol>	Chapter 12.1 - 12.6
Week 6 05/06/2019	<ol style="list-style-type: none"> <li>1. Graphing Cost Curves</li> <li>2. Long Run and Short Run</li> <li>3. Efficiencies of Scale in Production</li> </ol>	Chapter 12.6 - 12.8
Week 7 05/11/2019	<ol style="list-style-type: none"> <li><b>1. Quiz 2 on Chapter 18 and 12</b></li> <li>2. Perfectly Competitive Markets</li> <li>3. Profit Maximization for PC Firms</li> <li>4. Showing Profit Graphically</li> <li>5. The Firm's Shut Down Decision</li> </ol>	Chapter 13.1 - 13.5
Week 7 05/13/2019	<ol style="list-style-type: none"> <li>1. Deriving Firm and Market Supply</li> <li>2. Long Run Responses to Profit and Loss</li> <li>3. Efficiency</li> </ol>	Chapter 13.5 - 13.8
Week 8 05/18/2019	<ol style="list-style-type: none"> <li>1. Monopolies</li> <li>2. Monopoly Output and Prices</li> <li>3. Comparing Monopoly to Perfect Competition</li> <li>4. Price Discrimination</li> </ol>	Chapter 14

Week 8 05/20/2019	<b>1. Quiz 3 on Chapter 13-14</b> 2. Product Differentiation 3. Monopolistically Competitive Markets 4. Marginal Revenue and Downward Sloping Demands 5. Profit Maximization 6. Long Run Profits	Chapter 15.1 - 15.4
Week 9 05/25/2019	Memorial Day No Class	
Week 9 05/27/2019	1. Welfare under Monopolistic Competition 2. Oligopolies and Competition 3. Compete or Collude? 4. Welfare under Oligopoly	Chapter 15.5 - 15.8
Week 10 06/01/2019	Review	
Week 10 06/03/2019	<b>Midterm 2 on Chapter 18, 12-15</b> <b>WA 2 due this Friday</b>	

***Policy on Academic Conduct:***

1. Exams and quizzes for this quarter will be held during a specific timed window (during the class time listed above). Students may be required to put themselves on video in a Zoom conference. Students are expected to be honest and ethical in their academic work. Distance learning are held to the same standards as on-campus studying and testing.
2. Exams and quizzes are individual work and cheating will not be tolerated. During the online exams and quizzes, discussing answers with other students, searching solutions online, copying or looking over other students' exams or quizzes, etc. are all considered cheating. If a student is seen committing this act, they will be referred to the Office of Student Conduct on campus for a hearing. A student who may be facilitating the act of cheating will be also referred to the same office.
3. 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. Again, a student suspected of this act may be referred to the Office of Student Conduct.
4. 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>

### ***Religious Accommodations Policy***

It is the policy of the University of Washington to reasonably accommodate students' religious observances in accordance with RCW 28B.10.039 regarding religious accommodation for higher education students as amended by SB 5166, effective July 28, 2019.

Any student seeking reasonable accommodations must provide written notice to the Office of the University Registrar of the specific dates of absence due to religious accommodation, within the first two weeks of the beginning of the course. The religious accommodation form can be found here: <https://registrar.washington.edu/students/religious-accommodations-request/>

### ***Disability Accommodations Statement***

The University of Washington is committed to providing access, equal opportunity and reasonable accommodation in its services, programs, activities, education and employment for individuals with disabilities. To request disability accommodation contact the Disability Services Office at least ten days in advance at: 206.543.6450/V, 206.543.6452/TTY, 206.685.7264 (FAX), or e-mail at [dso@u.washington.edu](mailto:dso@u.washington.edu).