

## Econ 300 A: Intermediate Microeconomics (Spring 2021)

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

Office Hours: Mon 10:30 – 11:30 AM

Class Meetings: Tue/Thu 8:30 – 9:50 AM

Zoom Meeting ID: 972 2859 2920

Class Website: <https://canvas.uw.edu/courses/1449032>

Economics 300 is the intermediate course in microeconomic theory. We analyze changes in the behavior of individuals and firms in response to changes in the constraints they face. This course will stress applications of elementary economic theory to real world issues and problems. Analytical reasoning and mathematical modeling based on fundamental principles is stressed throughout. This is a scientific course: we shall be concerned with explanations of real world events. This course presents the conceptual foundations and analytical methods of microeconomics. This course is intended to equip you with the tools and comprehension to write reports or conduct research using modern microeconomic theory. Correspondingly, mastery of the material covered in the course will help you critically evaluate the microeconomic content of the work of others.

The mathematical prerequisite for this course is **a strong background in calculus**. The textbook for the course is **the 5th edition of Microeconomics: Theory and Applications with Calculus by Jeffrey Perloff** with an access code required for the companion MyEconLab website.

We will proceed as follows. We will cover Chapters 1 - 5, dealing with consumer behavior, demand theory, and the interaction of supply and demand in market settings during the first five weeks. We will then cover most of the material in Chapters 6 - 9, 11, and 14 dealing with production and costs, supply in competitive markets, monopoly, and imperfect competition. The detailed schedule is attached in a later section.

Grades will be assigned as follows. The weekly MyEconLab homework will count for 20% of the course grade, the two quizzes counting for 30% of the course grade, and the two midterm exams counting for 50% of the course grade. Please mark the dates on your own calendar. Late assignments will not be accepted.

Tasks	Percentage %	Due Dates
MyEconLab Homework	20%	Every Monday Midnight
Quiz 1	15%	Apr 14th
Midterm 1	25%	Apr 29th in Class
Quiz 2	15%	May 19th
Midterm 2	25%	Jun 3rd in Class

This course will be graded on a curve. The good news is that if you really study and attend to the assigned problem sets, there is no way you will not do well. One cannot learn this material in a short amount of time right before the exams. Don't even think about it! Working through practice questions is

essential for a superior performance in the class. Economics is learned through practice, not through memorization.

### ***Attendance Policy and Exam Rules***

Attendance in the Zoom lectures are highly encouraged. I understand, however, that it may not be possible for all students to attend all sessions given the realities of Covid-19, and all sessions will be recorded and posted on Canvas. If you are unable to attend, it is your responsibility to ensure that you are up-to-date on all course material.

Attendance for midterm exams is mandatory. If you are unable to attend any midterm exam due to circumstances beyond your control, please contact me as soon as this issue arises.

Quizzes are timed, but you can do the quizzes anytime within a 5-hour window period.

Exams and quizzes will require you to be able to do one of the followings:

- Draw graphs directly into a document on a computer and submitting it to Canvas
- Draw graphs on paper and submitting a scanned copy to Canvas
- Draw graphs on paper and submitting a legible photo to Canvas

### ***Policy on Academic Conduct***

The University takes academic integrity very seriously. Behaving with integrity is part of our responsibility to our shared learning community. If you're uncertain about if something is academic misconduct, ask me. I am willing to discuss questions you might have.

Acts of academic misconduct may include but are not limited to:

- Cheating (working collaboratively on quizzes/exams and discussion submissions, sharing answers and previewing quizzes/exams)
- Plagiarism (representing the work of others as your own without giving appropriate credit to the original author(s))
- Unauthorized collaboration (working with each other on assignments)

Concerns about these or other behaviors prohibited by the Student Conduct Code will be referred for investigation and adjudication by (include information for specific campus office). Students found to have engaged in academic misconduct may receive a **zero** on the assignment (or other possible outcome).

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>

## ***Guidance to Students Taking Courses Outside the U.S.***

Faculty members at U.S. universities – including the University of Washington – have the right to academic freedom which includes presenting and exploring topics and content that other governments may consider to be illegal and, therefore, choose to censor. Examples may include topics and content involving religion, gender and sexuality, human rights, democracy and representative government, and historic events.

If, as a UW student, you are living outside of the United States while taking courses remotely, you are subject to the laws of your local jurisdiction. Local authorities may limit your access to course material and take punitive action towards you. Unfortunately, the University of Washington has no authority over the laws in your jurisdictions or how local authorities enforce those laws.

If you are taking UW courses outside of the United States, you have reason to exercise caution when enrolling in courses that cover topics and issues censored in your jurisdiction. If you have concerns regarding a course or courses that you have registered for, please contact your academic advisor who will assist you in exploring options.

## ***Religious Accommodations Policy***

Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at Religious Accommodations Policy (<https://registrar.washington.edu/staffandfaculty/religious-accommodations-policy/>). Accommodations must be requested within the first two weeks of this course using the Religious Accommodations Request form (<https://registrar.washington.edu/students/religious-accommodations-request/>).

## ***Disability Accommodations Statement***

Your experience in this class is important to me. It is the policy and practice of the University of Washington to create inclusive and accessible learning environments consistent with federal and state law. If you have already established accommodations with Disability Resources for Students (DRS), please activate your accommodations via myDRS so we can discuss how they will be implemented in this course.

If you have not yet established services through DRS, but have a temporary health condition or permanent disability that requires accommodations (conditions include but not limited to; mental health, attention-related, learning, vision, hearing, physical or health impacts), contact DRS directly to set up an Access Plan. DRS facilitates the interactive process that establishes reasonable accommodations. Contact DRS at [disability.uw.edu](http://disability.uw.edu).

***Detailed Schedule (Subject to Change)***

<b>Date</b>	<b>Topics</b>	<b>Readings</b>
Week 1 3/30	1. Introduction 2. Math Review 3. Optimization	Chapter 1
Week 1 4/1	1. Demand, Supply and Market Equilibrium 2. Elasticities 3. Effect of a Sale Tax 4. Price Ceiling and Price Floor	Chapter 2.1 - 2.7
Week 2 4/6	1. Axioms of Rational Choice 2. Indifference Curves and Utility (Graphs) 3. Marginal Rate of Substitution 4. Budget Constraints	Chapter 3.1 - 3.3
Week 2 4/8	1. Utility Maximization Problem (Using Calculus & Graphs)	Chapter 3.4
Week 3 4/13	1. Expenditure Minimization Problem 2. The Dual Problem 3. Review for Quiz 1	Chapter 3.4
Week 3 4/15	1. Deriving Demand Curves 2. Income Effect and Substitution Effect 3. Slutsky Decomposition	Chapter 4.1 - 4.3
Week 4 4/20	1. Revealed Preference 2. Labor Market	Chapter 4.5, 5.4
Week 4 4/22	1. Inputs and Outputs 2. Short-Run Production 3. Long-Run Production 4. Isoquant 5. Marginal Rate of Technical Substitution	Chapter 6.1 - 6.3
Week 5 4/27	1. Returns to Scale 2. Technical Change 3. Review for Midterm 1	Chapter 6.4 - 6.6
Week 5 4/29	<b>Midterm 1</b>	

Week 6 5/4	<ol style="list-style-type: none"> <li>1. Short-Run Costs</li> <li>2. Long-Run Costs</li> <li>3. Cost Minimization Problem</li> <li>4. Derivation of Cost Functions</li> </ol>	Chapter 7.1 - 7.3
Week 6 5/6	<ol style="list-style-type: none"> <li>1. Output Maximization Problem</li> <li>2. Lower Costs in the Long Run</li> </ol>	Chapter 7.3 - 7.4
Week 7 5/11	<ol style="list-style-type: none"> <li>1. Competitive Firms and Markets</li> <li>2. Profit Maximization</li> <li>3. Shutdown Decision in the Short-Run</li> <li>4. Long-Run Equilibrium</li> </ol>	Chapter 8
Week 7 5/13	<ol style="list-style-type: none"> <li>1. Pareto Efficiency</li> <li>2. Producer Surplus</li> <li>3. Welfare Effect of Price Ceiling/Floor</li> </ol>	Chapter 9.2 - 9.5
Week 8 5/18	<ol style="list-style-type: none"> <li>1. Free Trade and Tariff/Quota</li> <li>2. Review for Quiz 2</li> </ol>	Chapter 9.6
Week 8 5/20	<ol style="list-style-type: none"> <li>1. Monopoly Profit Maximization</li> <li>2. Market Power and Welfare</li> </ol>	Chapter 11.1 - 11.2
Week 9 5/25	<ol style="list-style-type: none"> <li>1. Prisoners' Dilemma</li> <li>2. Cournot Oligopoly Model</li> </ol>	Chapter 14.1 - 14.3
Week 9 5/27	<ol style="list-style-type: none"> <li>1. Stackelberg Oligopoly Model</li> <li>2. Bertrand Model of Oligopoly</li> <li>3. Monopolistic Competition</li> </ol>	Chapter 14.4 - 14.6
Week 10 6/1	<ol style="list-style-type: none"> <li>1. Review for Midterm 2</li> </ol>	
Week 10 6/3	<b>Midterm 2</b>	