Intermediate Microeconomics - Econ 300 A
Summer 2013

Instructor: Bijetri Bose
Office: 319 G, Savery Hall
Office Hours: Thursday 11 a.m. – 1 p.m. and/or by appointment.
Email: bijetri@uw.edu

Course materials:

Text: Microeconomics, 6th edition by Jeffrey M. Perloff. This is the recommended text for the class. You do not need the online access code for this class. If you choose to follow an earlier edition or any other text, you are responsible for any updates or changes.

Webpage: A copy of this syllabus, class notes, handouts, homework, solutions to exam problems, grade book and other course materials will be accessible at https://catalyst.uw.edu/workspace/bijetri/38843/. You will need your UW student ID and password to log in. Ideally you should set the notifications ON to let you know when I have posted something. Check this page regularly for all important announcements about this class.

Grading:

• Weekly Problem Sets: 25%
There will be 5 problem sets, due usually on Mondays that will account for 25% of your final grade. If you have attended class and understood a fraction of what I say, each problem sets shouldn’t take you more than 2 hours.

For the problem sets, group-work is allowed but you have to submit your own complete solutions. Don’t forget to show your intermediate calculations and please remember that no late homework will be accepted.

• Class Participation: 10%
Class participation is not equivalent to class attendance! There will be a lot of in-class problem solving and discussions that you must actively engage in to earn class participation points. I reserve the right to use my discretion in judging your participation in class while determining the final grades.

• 2 Exams: 65%
The exams will be non-cumulative and will be composed of short answer questions. Your answers will either include graphs and related explanation of 2-3 sentences (or) calculus based computation problems.
Note: Any issues with the scores on your Problem Sets or Exams must be resolved within 1 week after they are handed back to you. It is part of your responsibility to verify the entries on catalyst grade book.

You may need a simple 4-function calculator for some of the questions in exams. **Graphing calculators, cell phones, ipods or iphones are not allowed.**

**There will not be any kind of make-up exams.** If you are not able to make it to an exam due to a very serious reason, you have to contact me on the same day and explain what happened. In any case you will have to show proper valid documentation as soon as possible after the missed exam, such as a doctor’s note.

Exams and homework are individual work and **cheating will not be tolerated.** As students of UW, you must attempt to uphold the fundamental standards of honesty, respect, and integrity, and encourage others to adhere to these standards.

This course will be curved in accordance with the Economics Departments policy. The median grade is set between 2.9 and 3.1. The top 5% of students in the class can expect a 4.0. No credit (0.0) will be awarded to student with a class percentage below 50%.

**Course Overview:**

This class will quantitatively build on the intuition learned in ECON 200. Calculus is used intensively in the course. Prerequisites: Econ200, Math 112 or equivalent.

We will analyze the economic behavior of consumers and firms and how their interactions in markets determine the prices and quantities of goods and services. Apart from the basic competitive market model (a Supply and Demand determined equilibrium), we will study other aspects of markets such as monopolies, duopolies and monopolistic competition. The class can be divided into 3 parts.
- Investigating aspects of consumer choice.
- Derive a firm’s production decision in different markets and compare their welfare effects.
- Study the exciting field of game theory and strategic thinking and its application to duopolies.

Note that this class will be essential to applied courses in economics including labor economics, public finance, international economics, natural resources and finance, and will also be helpful in optimization courses outside of economics!

To understand an economic concept and to do well in this class **it is important to understand the underlying intuition, the mathematical analysis and most importantly the application of the concept to real life examples.**
**Student Learning Goals:**

- Understand and be able to use microeconomic terminology.
- Use microeconomic principles and diagrams to understand and explain economic events and other social phenomena.
- Understand how individuals and firms make themselves as well off as possible in a world of scarcity.
- Use basic calculus to solve optimization problems faced by economic agents.
- Understand how prices influence the decisions about which goods and services to produce, how to produce them, and who gets them.
- Understand how government policies affect the allocation of resources in a market economy.
- Understand how market structure (perfect competition, monopoly, duopoly and oligopoly) influences the allocation of resources.
- Use economic reasoning to explain the strategic choices of individuals or organizations.
- Appreciate the usefulness of economic reasoning in personal decision-making

**Tentative Course Outline**

<table>
<thead>
<tr>
<th>Week 1</th>
<th>Intro &amp; Math Review</th>
<th>HW 1 assigned (due July 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 2</td>
<td>Supply &amp; Demand</td>
<td>Chapter 2 &amp; 3</td>
</tr>
<tr>
<td>Week 3</td>
<td>Consumer Theory</td>
<td>Chapter 4 &amp; 5</td>
</tr>
<tr>
<td>Week 4</td>
<td>Production &amp; Cost</td>
<td>Chapter 6 &amp; 7</td>
</tr>
<tr>
<td>Week 5</td>
<td>Perfect Competition</td>
<td>Chapter 8 &amp; 9</td>
</tr>
<tr>
<td>Week 6</td>
<td>Monopoly</td>
<td>Chapter 11</td>
</tr>
<tr>
<td>Week 7</td>
<td>Oligopoly</td>
<td>Chapter 13</td>
</tr>
<tr>
<td>Week 8</td>
<td>Game Theory</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Week 9</td>
<td>General Equilibrium &amp; Review</td>
<td>Chapter 10</td>
</tr>
</tbody>
</table>