

Econ 300 B: Intermediate Microeconomics (Autumn 2021)

1. Course Basic Information

Instructor: Lia Xu (liaxu@uw.edu)
Office Hours: Mon/Wed 9:00 – 10:00 AM (Remote at Zoom ID: 943 5861 4954)
Class Meeting: Mon/Wed 1:30 – 3:20 PM at SMI 405
Class Website: <https://canvas.uw.edu/courses/1477897>

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.

2. Grades

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. Quizzes and Exams are all in-person.

Tasks	Percentage %	Due Dates
MyEconLab Homework	20%	Every Monday Midnight
Quiz 1 (50 mins)	15%	Oct 18th
Midterm 1 (100 mins)	25%	Nov 3rd
Quiz 2 (50 mins)	15%	Nov 22nd
Midterm 2 (100 mins)	25%	Dec 8th

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.

3. Class Structure and COVID Related Issues

In ECON 300B, lectures will be offered in-person at SMI 405. Lectures will NOT be recorded but lecture slides will be available on the Canvas website. Office hours will be held remotely through Zoom and in-person communication can be arranged individually via email.

Quizzes and exams will be held in person; and students are expected to be present for exams, subject to absences due to illness. If you are ill and must miss an exam, please contact me immediately to receive information about the accommodations or makeup exams. If you have established accommodations with Disability Resources for Students (DRS), please contact me immediately to discuss these accommodations.

Properly worn masks must be worn at all times while you are in class. You must stay home if you are sick, have COVID-19 symptoms, or if you test positive for COVID-19. Notify UW Environmental Health & Safety if you test positive for COVID-19 or have close contact with an individual who has tested positive. **This requirement applies even if you're fully vaccinated.** EH&S conducts public health follow-up, including contact tracing. UW Medicine medical center employees should contact their respective Employee Health Center.

Please be flexible and keep in mind that the class structure/teaching mode may change if the situation changes.

Additional details and contact information:

<https://www.washington.edu/coronavirus/faq/#health>

<https://www.washington.edu/coronavirus/status/>

4. 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>

5. 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/>).

6. 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.

7. Detailed Schedule (Subject to Change!)

Date	Topics	Readings
Week 0 9/29	<ol style="list-style-type: none"> 1. Introduction 2. Math Review 3. Optimization 	Chapter 1
Week 1 10/4	<ol style="list-style-type: none"> 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 1 10/6	<ol style="list-style-type: none"> 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 10/11	<ol style="list-style-type: none"> 1. Utility Maximization Problem (Using Calculus & Graphs) 2. Expenditure Minimization Problem 3. The Dual Problem 	Chapter 3.4
Week 2 10/13	<ol style="list-style-type: none"> 1. Chapter 3 Practice 2. Review for Quiz 1 	Chapter 3.4
Week 3 10/18	<ol style="list-style-type: none"> 1. Quiz 1 2. Deriving Demand Curves 3. Income Effect and Substitution Effect 	Chapter 4.1 - 4.3
Week 3 10/20	<ol style="list-style-type: none"> 1. Slutsky Decomposition 2. Revealed Preference 3. Labor Market 4. Chapter 4 & 5 Practice 	Chapter 4.5, 5.4
Week 4 10/25	<ol style="list-style-type: none"> 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 4 10/27	<ol style="list-style-type: none"> 1. Returns to Scale 2. Technical Change 3. Chapter 6 Practice 	Chapter 6.4 - 6.6
Week 5 11/1	Review for Midterm 1	
Week 5 11/3	Midterm 1	

Date	Topics	Readings
Week 6 11/8	<ol style="list-style-type: none"> 1. Short-Run Costs 2. Long-Run Costs 3. Cost Minimization Problem 4. Derivation of Cost Functions 	Chapter 7.1 - 7.3
Week 6 11/10	<ol style="list-style-type: none"> 1. Output Maximization Problem 2. Chapter 7 Practice 	Chapter 7.1 - 7.3
Week 7 11/15	<ol style="list-style-type: none"> 1. Competitive Firms and Markets 2. Profit Maximization 3. Shutdown Decision in the Short-Run 4. Long-Run Equilibrium 	Chapter 8
Week 7 11/17	<ol style="list-style-type: none"> 1. Producer Surplus 2. Welfare Effect of Price Ceiling/Floor 3. Free Trade and Tariff/Quota 	Chapter 9.2 - 9.6
Week 8 11/22	<ol style="list-style-type: none"> 1. Quiz 2 	
Week 8 11/24	NO Class, Enjoy Thanksgiving Holiday	
Week 9 11/29	<ol style="list-style-type: none"> 1. Monopoly Profit Maximization 2. Market Power and Welfare 3. Prisoners' Dilemma 4. Cournot Oligopoly Model 	Chapter 11.1 - 11.2 Chapter 14.1 - 14.3
Week 9 12/1	<ol style="list-style-type: none"> 1. Stackelberg Oligopoly Model 2. Bertrand Model of Oligopoly 3. Monopolistic Competition 	Chapter 14.4 - 14.6
Week 10 12/6	Review for Midterm 2	
Week 10 12/8	Midterm 2	