

# ECON 300 E: INTERMEDIATE MICROECONOMICS

**AUTUMN 2021**

**COURSE MEETS:** M.W. 8:30 – 10:20 am, LOW 205

**INSTRUCTOR:** Yuhan Lee

**OFFICE:** Not yet decided

**OFFICE HOURS:** T.TH. 3:00 – 4:00 pm and by appointment

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## **COURSE DESCRIPTION:**

From ECON 200, you know that economics is the social science of choices. Microeconomics captures how *individual* economic agents – household, firm and government – make decisions and how they interact in markets. In the introductory microeconomics, we primarily addressed these questions through intuitions and graphs. Now it's time to introduce you to the way that economists represent economical concept through mathematical models to understand their choices and interaction. Mathematics allows us to build precise models and to strip a model down to its important components and interactions. Note that although models expressed mathematically may seem simplistic at first, the art of being an economist is to impart economic meaning and conclusions to the equations, derivatives and graphs. The payoff is a deeper understanding of the importance that logical modeling and critical thinking play in economics.

## **PREREQUISITES:**

Econ 200 and any one of: Math 112, 124, 127, 134, or 145.

You must have completed an introductory microeconomics course (ECON 200). It goes without saying that you must not be surprised when you hear me use terms like demand, supply, profit, cost, monopoly, externality, public goods, without necessarily defining them. If it's been a while since your ECON 200, keeping an introductory textbook on hand to look up terms is advised.

You must have calculus proficiency at the Math 112 level or similar. You must be comfortable with the total differential, partial derivative, product rule, chain rule, maximization, minimization and first order condition. It would be very helpful for you to have a calculus textbook as a reference.

## TEACHING MODEL

In ECON 300: E, lectures will be offered live at the regularly scheduled class time. They will not be recorded but lecture slides will be available for viewing on Canvas. Office hours will be held remotely through Zoom. Assignments must be submitted remotely via Canvas. Exams will be given in-person. There will be two exams. No drops will be permitted for both exams.

## TEXTBOOK AND COURSE MATERIALS

- **TEXTBOOK:** The textbook for this course is Hal Varian's, *Intermediate Microeconomics: A Modern Approach*, 8th edition (published by W.W. Norton). Older or 9<sup>th</sup> editions are also okay. You do not need to purchase any online package.
- **CANVAS:** As a registered student, you should be able to view the Canvas page for this course. This is the site where I will post syllabus, lecture notes, homework and answer key, practice exam, and grade. It is your responsibility to check the site regularly. Lecture notes will generally be posted right after each lecture.

## GRADING:

Grades will be calculated based on Exam 1(30%) and Exam2(70%). There will be no class participation credits. But active participation is encouraged.

- **HOMEWORK:**
- Eight short problem sets will be available on Canvas (one each for most of the weeks of the quarter), due at 11:59 PM Pacific Time on Sundays. The problem sets will be valuable practice to comprehend many concepts in micro economics. The weight of homework is 0%, So you don't need to submit assignment. But I encourage you to solve each homework question and do discuss with other students. Every discussion would be helpful to prepare for exams. Try to relate the problems to economic concepts covered in class and understand how they are presented in the problems.
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- **EXAM:** There will be two exams. Attendance for exams is mandatory. If there is any change, I will inform you as soon as possible. Exams are OPEN-BOOK and will be consist of essay questions.

## LATE POLICY AND MAKE-UP EXAMS:

No late submission will be accepted. For exam 1, no make-up exam will be given, except for excused medical and family emergencies, or UW-sanctioned athletic commitments. I will require both the phone number and address of the doctor/clinic in order to verify the authenticity of the documentation you provide. There is no make-up for exam 2. If you miss exam 2 due to an unexpected event or an accident, you will have to notify me as soon as possible. If you provide verifiable documentation, you may earn an incomplete grade in the course. Otherwise your grade for exam 2 will be zero and I will calculate your course grade based on the zero grade you have earned.

## HOW TO STUDY EFFECTIVELY:

- **Briefly** read the relevant ~~parts of~~ chapters before each lecture. Knowing what would be covered in the lecture would be helpful to understand course materials.
- Take notes during class. But I recommend you NOT to do only concentrate on copy down my handwriting. Think carefully, and do your OWN handwriting. And, additional slides will be posted online too. The slides will be helpful to read your textbook.
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- After the lecture, attempt the homework problems and make sure you fully write down the answer to each question using the relevant concepts you have learned. Please do not address the problems in your head only. Rather, use the concepts you learn plus the reasoning process to write out the solutions in full. The analysis uses graphs, calculus and algebra. You should also write out some explanations about your graphical and mathematical solutions.
- It is a good idea to form a study group (2-4 members) among peers to discuss the materials of the course and/or do homework problems together.

## COURSE OUTLINE:

The following is a plan for the topics covered each week, and the corresponding chapters in the textbook. It is subject to change. I will alert you each week of the upcoming material. I encourage you to read the chapters ahead of the corresponding lectures.

WEEK	LEARNING SUBJECTS OR PLANS	READINGS
Week 1	<ul style="list-style-type: none"> <li>• Introduction</li> <li>• Review of ECON 200</li> </ul>	
Week 2	<p>&lt; <b>Theory of the consumer</b> &gt;</p> <ul style="list-style-type: none"> <li>• Budget Constraint</li> <li>• Preferences</li> <li>• Utility</li> </ul>	Ch. 2 Ch. 3 Ch. 4
Week 3	<ul style="list-style-type: none"> <li>• Choice</li> <li>• Demand</li> <li>• Revealed Preference</li> </ul>	Ch. 5 Ch. 6 Ch. 7
Week 4	<ul style="list-style-type: none"> <li>• Slutsky Equation</li> <li>• Consumer's surplus</li> <li>• Market Demand</li> </ul>	Ch. 8 Ch. 14 Ch. 15
Week 5	<ul style="list-style-type: none"> <li>• <i>Exam 1 (Oct. 25<sup>th</sup>)</i></li> </ul>	
Week 6	<p>&lt; <b>Theory of the firm</b> &gt;</p> <ul style="list-style-type: none"> <li>• Technology</li> <li>• Profit Maximization</li> <li>• Cost Minimization</li> </ul>	Ch. 19 Ch. 20 Ch. 21
Week 7	<ul style="list-style-type: none"> <li>• Cost Curves</li> <li>• Firm Supply</li> <li>• Industry Supply</li> </ul>	Ch. 22 Ch. 23 Ch. 24
Week 8	<p>&lt; <b>Theory of the Market</b> &gt;</p> <ul style="list-style-type: none"> <li>• Monopoly</li> <li>• Monopoly behavior</li> <li>• Oligopoly</li> </ul>	Ch. 25 Ch. 26 Ch. 28
Week 9	<ul style="list-style-type: none"> <li>• Game Theory</li> </ul> <p>&lt; <b>General Equilibrium and Market Failures</b> &gt; • Exchange</p>	Ch. 29 Ch. 32
Week 10	<ul style="list-style-type: none"> <li>• Externalities •</li> <li>Public Goods</li> </ul>	Ch. 35 Ch. 37
Week 11	<ul style="list-style-type: none"> <li>• <i>Exam 2 (Dec. 6<sup>th</sup>)</i></li> </ul>	

\* The course schedule can be modified if it is needed.

## **EXAM TAKING RULES:**

The following materials are permitted in the exam room

- All books, papers, and notebooks are available. The internet excess is not permitted.

Attendance and special accommodation

- You are not allowed to leave the room during the exam. This includes restroom use; be sure to use the restroom before the beginning of the exam.
- If you arrive late to an exam, you cannot expect to get extra time after the official end of the exam to make up for the missing time at the beginning.
- If you have a documented disability, please bring documentation from the Office of Disability Resources for Students on the first day of class, so that I can make any arrangements required for accommodations.

## **ACADEMIC HONESTY:**

- Exams are individual work and cheating will not be tolerated. Looking at a neighbor's exam is considered cheating. If a student is seen committing this act, they will not be allowed to continue taking their exam. The neighbor sitting next to the student will also be duly punished if they are seen as facilitating this act of cheating.
- 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.
- 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 University policy at <http://www.washington.edu/uaa/advising/help/academichonesty.php>

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.