

# ECON 300 F: INTERMEDIATE MICROECONOMICS (AUTUMN 2021)

**COURSE MEETS:** T. Th. 3:30 – 5:20 pm, THO 119

**INSTRUCTOR:** Changgi Kang ([changk23@uw.edu](mailto:changk23@uw.edu))

**OFFICE:** Savery 319H / Zoom (by appointment)

**OFFICE HOURS:** Wed. Fri. 09:00 – 10:00 am and by appointment

**COURSE MODE:** in-person

**COURSE WEBSITE:** <https://canvas.uw.edu/courses/1497562>

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## COURSE DESCRIPTION:

Economics is the social science of choices. Microeconomics captures how *individual* economic agents – households, firms and the government – make decisions and how they interact in the 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 build 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 to have a calculus textbook as a reference.

## COURSE MODE:

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 can be held remotely through Zoom if needed. Assignments and Exams must be submitted in-person.

## TEXTBOOK AND COURSE MATERIALS

- **TEXTBOOK:** The textbook for this course is *Hal Varian's, Intermediate Microeconomics: A Modern Approach, 9th edition* (published by W.W. Norton). Older print editions are also okay. I will refer to chapter numbers from the 9th edition. 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 keys, practice exams, and grades. It is your responsibility to check the site regularly. Lecture notes will generally be posted right after each lecture.

## GRADING:

Your grade consists of homework (30%), Exam 1 (35%) and Exam 2 (35%). Class participation will be rewarded with extra credit.

- **HOMEWORK:** There will be 6 sets of questions titled “Homework”. These will be assigned before the exams and be posted on the course website. Each assignment carries equal weight. Each assignment consists of multiple choice and short-answer questions. These questions provide valuable practice because they are written in the style of the exams. You must hand in a hard copy (no e-mail submissions) of your answers before the class on the day it is due (no late submissions). You may handwrite or type in. You are encouraged to study with other students and to discuss and compare answers with each other when working on assignments. However, you must submit your own work. Mere copy-pasting would result in zero grades for the assignment. Your Homework will be collectively worth 30% of your course grade.
- **EXAM:** There will be two exams. All exams will be conducted in the classroom during the same class time. Exams are closed-book and will be a combination of multiple choice and short-answer questions. Your exams are collectively worth 70% of your grade; exam 1 and 2 are worth 35% each.

The Department of Economics requires the class median grade to be in the range of 2.9 – 3.1 on a 4-point scale. Final grades will be assigned to satisfy this requirement. For that reason, there is no pre-determined formula relating grade percentages to the 4-point grade scale; rather, the best guide for judging your progress is how your grade compares to the median grade on each assignment.

## LATE POLICY AND MAKE-UP EXAMS (INCLUDING COVID CASES):

No late homework 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 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.

This class is conducted in-person. Students are expected to participate in class to fully benefit from course activities and meet the course's learning objectives. Students should only register for this class if they are able to attend in-person. To protect their fellow students, faculty, and staff, students who feel ill or exhibit possible COVID symptoms should not come to class. When absent, it is the responsibility of the student to inform the instructor in advance (or as close to the class period as possible in the case of an unexpected absence), and to request appropriate make-up work as per policies established in the syllabus. What make-up work is possible, or how assignments or course grading might be modified to accommodate missed work, is the prerogative of the instructor. For chronic absences, the instructor may negotiate an incomplete grade after the 8th week, or recommend the student contact their academic adviser to consider a hardship withdrawal (known as a Registrar Drop).

## HOW TO STUDY EFFECTIVELY:

- Read the relevant parts of chapter(s) carefully before each lecture. Try to get a good idea of both the questions asked and the approach (the concept and the reasoning process) to addressing the questions in the textbook.
- Take notes during class. The lecture slides with blanks will be posted before each class and the slides with full materials will be posted after the class. You are welcome to ask clarifying questions, present points of debate, etc. during class.
- After the lecture, *read again the textbook thoroughly* and *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 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 material of the course and/or do homework problems together. However, you must submit your own homework.

## COURSE OUTLINE:

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

WEEK	TOPICS	READINGS
Week 1	<p>&lt; <b>Introduction</b> &gt;</p> <p>&lt; <b>Theory of the consumer</b> &gt;</p> <ul style="list-style-type: none"> <li>• Budget Constraint</li> </ul>	Ch. 2
Week 2	<ul style="list-style-type: none"> <li>• Preferences</li> <li>• Utility</li> <li>• Choice</li> </ul>	Ch. 3 Ch. 4 Ch. 5
Week 3	<ul style="list-style-type: none"> <li>• Demand</li> <li>• Slutsky Equation</li> </ul>	Ch. 6 Ch. 8
Week 4	<ul style="list-style-type: none"> <li>• Market Demand</li> <li>• Equilibrium</li> <li>• Welfare Analysis</li> </ul>	Ch. 15 Ch. 16 Ch. 14
Week 5	<ul style="list-style-type: none"> <li>• <i>Exam 1 (Nov. 2<sup>th</sup>: Tentative)</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> </ul>	Ch. 25 Ch. 26
Week 9	<ul style="list-style-type: none"> <li>• Oligopoly</li> <li>• Game Theory</li> </ul>	Ch. 28 Ch. 29, 30
Week 10	<ul style="list-style-type: none"> <li>• <i>Exam 2 (Dec. 16<sup>th</sup>)</i></li> </ul>	

\* Chapters in Hal Varian's, Intermediate Microeconomics, 9th edition.

## EXAM TAKING RULES:

Material allowed during a closed book exam.

- All books, papers, notebooks, etc., must be placed inside your backpack or other type of bag, which must be securely and fully closed. If you do not have a bag, you must place all your material out of your reach.
- Only a basic 4-function or a scientific calculator may be used during an exam. Graphing calculators will not be allowed. Sharing of calculators is not permitted.
- No other electronic devices can be accessible during the exam. Cellular phones must be turned off before entering the class and placed in your closed bag (not in your pocket). You are not allowed to use a cellular phone during an exam. Doing so will result in the termination of your exam time.
- Baseball caps and any other kinds of headgear that conceal your eyes are 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.