Economics for Policy Analysis and Management I  
PBAF 516 C  
Fall 2015

Instructor:  Brian Dillon  
Meeting time:  T 5:30-8:20  
Email:  bdillon2@uw.edu  
Class location:  Parrington 108  
Phone:  206.221.4601  
TA:  Sarah Paisner  
Office:  Parrington 209G  
TA email:  spaisner@uw.edu

Sections (Par 106):  
CA:  Thursday 7:30-8:20  
CB:  Friday 10:30-11:20  
Instructor office hours:  For just this course:  Wed 2:30-4:00, and by appointment  
Open office hours:  Fri 11:20-12:20  
TA office hours (Par 124E):  Mon 10:00-11:00, Thu 6:00-7:00, and by appointment

Textbook:  Jeffrey Perloff, Microeconomics, 6th edition (not the 7th edition)  
Website:  https://www.canvas.uw.edu

Course Objectives

The goals of this course are to give you a firm grounding in microeconomic theory and to develop your skills in applying this theory to public policy and management issues. Your aim should be to develop an understanding of the tools, language, and core principles of microeconomics. Because the goal is to learn how to solve problems within the standard microeconomic framework, not to identify specific policy conclusions, we will often make simplifying assumptions and study less-than-realistic scenarios.

For better or worse, the neo-classical economic model of supply, demand, and competitive equilibrium has been the dominant social science paradigm of the last 50 years. It is a powerful and flexible framework, and it provides the building blocks that underlie much policy analysis. A mastery of core microeconomic ideas and a firm understanding of how to apply those ideas to real problems are essential for your forward progress both in the MPA program and in your careers to follow.

Prerequisites

It is expected that you have prior familiarity with the core ideas in introductory microeconomics. Students with limitations in their grasp of basic microeconomics should review introductory material.

The exposition will make heavy use of graphs and mathematics. A good grasp of basic algebra is essential. If you cannot quickly solve simultaneous equations, find the slope and intercept of a line, set up the equation of a line based on the slope and intercept, find the area of a triangle, and work with fractions, you should review that material immediately. Calculus will not be used.

Some of the problem sets (which will not be graded) will make use of Microsoft Excel. If you are not comfortable entering equations in Excel, filling down and across cells, making graphs from data, and manipulating images, there are tutorials available at the library and on the UW website. You can find links on the Canvas site.
Reading

The schedule below gives the reading schedule for the course. While the material in the lectures, quiz sections and problem sets is your best guide to what will be on the quizzes and exams, all of the material in the assigned chapters is fair game.

Grading and Assignments

Problem sets will be posted to the Canvas site during most weeks of the quarter. These will not be collected, and the solutions will be posted about one week later. Working through the problem sets before you see the answer key is essential to doing well in this course. Group work is encouraged, though there is no substitute for working through the problems by yourself before getting help from a friend, the TA, or me.

There will be 3 exams and 3 short quizzes throughout the quarter. All quizzes will be worth the same number of points, though I cannot guarantee that they will be of equal length or difficulty. Same goes for the first two exams. Your final grade in this course will be based on the following:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Quizzes (3 x 10%)</td>
<td>30%</td>
</tr>
<tr>
<td>Midterm exam</td>
<td>30%</td>
</tr>
<tr>
<td>Final exam</td>
<td>40%</td>
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</tbody>
</table>

Individual quizzes and exams will not be curved, but I will curve the final scores if necessary. My goal will be to set the class mean to approximately 3.4. But I will allow the mean grade to be higher than 3.4 if this class demonstrates better mastery of the material than previous cohorts.

Toward the end of term I will post a special problem set that can be submitted for a grade. If you choose to submit this problem set, it will be graded and the score will replace your lowest quiz score (regardless of which is higher). Whether or not you submit this problem set is up to you.

Academic Integrity

UW and the Evans School expect students to adhere to the highest standards of academic integrity and honesty. A student found to be cheating on a quiz or exam will receive a zero for that test. A second offense will lead to a zero for the course. See the Evans School Student Handbook for more details.

Enrollment, Attendance, Absences

Check the University Calendar for the policy on incompletes and withdrawals. We will adhere to the university dates and policies.

If you are going to miss a class, talk to a classmate beforehand and arrange to get a copy of her/his notes. Office hours are not intended as a time to repeat material because of a class absence. If you are going to miss class on the day of an exam, you MUST contact me prior to the exam. At the very least, send an email or leave a voicemail on my office line. Students who fail to do so will be given a zero for the exam and will forfeit the right to a make-up.
Finally, if you need to leave class early, please tell me before class and choose a seat near the exit. And when we have two minute stretch breaks during class, please don’t leave the room. Step out quietly during the lecture if you need to.

**Communication**

I want you to succeed in this course so I will be as available as possible to answer your questions and support your progress. That said, here are a few guidelines to help us organize communication:

i. The best ways to contact me are by email, in office hours, or before/after class.

ii. If you email me, I will get back to you within 48 hours. Except emails sent on Friday, which might not be answered until Monday.

iii. I do not answer emails that do not have both a greeting with my name and/or title, and a signature with your name.

iv. I will use Canvas announcements to send messages to the class. Make sure that you customize your Canvas settings to get Announcements “ASAP” (In Canvas, click “Settings” at the top of the screen, then “Notifications” at left, then look for “Announcements” under “Course Activities”).

v. I am available to meet by Skype video if that is easier for you than meeting in my office. See additional details on the Canvas page about office hours.

**Tentative Course Schedule**

All dates other than the quiz and exam dates are subject to revision. Weekly reading assignments should be completed prior to lecture.

<table>
<thead>
<tr>
<th>Week #</th>
<th>Class Dates</th>
<th>Important Events</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10/6</td>
<td></td>
<td>Introduction and Consumer theory Chapters. 1, 2.1, 4</td>
</tr>
<tr>
<td>2</td>
<td>10/13</td>
<td>Quiz in section</td>
<td>Consumer theory continued Chapters. 3.2, 5.1-5.4, 9.2</td>
</tr>
<tr>
<td>3</td>
<td>10/20</td>
<td></td>
<td>Consumer theory; Firm theory Chapters 2.2, 3.3, 6</td>
</tr>
<tr>
<td>4</td>
<td>10/27</td>
<td>Quiz in section</td>
<td>Firm theory continued Chapter 7, 8, 9.1, 9.3</td>
</tr>
<tr>
<td>5</td>
<td>11/3</td>
<td></td>
<td>Firm theory; Equilibrium; Govt intervention Chapters 2.3-2.6, 3.4, 9.4-9.7</td>
</tr>
<tr>
<td>6</td>
<td>11/10</td>
<td>Midterm exam on 11/10</td>
<td>Government intervention continued No additional reading</td>
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<tr>
<td>7</td>
<td>11/17</td>
<td></td>
<td>Monopoly Chapter 11</td>
</tr>
<tr>
<td>8</td>
<td>11/24</td>
<td>No sections</td>
<td>Labor markets and the minimum wage Chapters 5.5, 10.5</td>
</tr>
<tr>
<td>9</td>
<td>12/1</td>
<td>Quiz in section</td>
<td>Game theory; discounting Chapters 14.1, 14.2, 16.1</td>
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<tr>
<td>10</td>
<td>12/8</td>
<td></td>
<td>Catch-up lecture</td>
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<tr>
<td>11</td>
<td>12/15</td>
<td>Final Exam on 12/15</td>
<td>Final Exam 6:30-8:20</td>
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