PBAF 516: Economics for Policy Analysis and Management I
Autumn 2015

Course Information

Instructor: Dr. Andy Ewing

Email: ewingam@uw.edu or ewing.andy@gmail.com

Classes: TR 1:30pm–2:50pm, RAI 121

Quiz Sections: Fridays with Josh Merfeld, merfeld@uw.edu

Course Webpage: Canvas

Office Hours: Email/Skype/Google Hangouts. Use Josh’s hours as well.

Course Goals

The UW catalog description of this course goes something like this, “Ways in which microeconomic analysis can contribute to the analysis of public sector issues. Supply and demand, consumer and firm behavior, competitive and monopoly markets, income distribution, market failure, government intervention. Policy applications of theory. Prerequisite: elementary economics.”

To give you some more detail and guidance, here are my specific goals for this course. After completing this course, you should be able to:

1. Reconstruct your lessons from your Principles of Microeconomics courses in a more rigorous framework.
2. Analyze and solve household decision problems using a “utility-maximizing” framework.
3. Understand the link between household decision problems and the properties of the demand function for goods and services.
4. Analyze how production and cost functions help determine firms’ behavior.
5. Analyze how firms make decisions based on profit maximization and cost minimization, and what the difference is between the two.
6. Distinguish between different types of markets and how this affects the firm’s decisions.
7. Discuss the role of government intervention in market outcomes.
8. Analyze static and dynamic strategic games.

Prerequisites

Principles of Economics. We will be using quite a bit of math (graphical analysis and algebra) and concepts from principles of microeconomics, so it is a good idea to brush up by looking at your old notes. Calculus is not required, but I will sometimes show a bit of calculus for those that are interested. It’s FUN!

1This version of the syllabus: September 29, 2015. I will notify you of any modifications.
Required Texts

The required textbook for this course is: Jeffrey M. Perloff, *Microeconomics, 6th Edition*. Any additional handouts and readings will be distributed in class and/or posted online.

Assignments

Problem Sets

There will be several problem sets assigned throughout the semester. You are encouraged, but not required, to work on these problem sets in a team of no more than three. **If you do choose to work on a problem set with others, be sure to cite your team members.** These problem sets will be closely related to your exams.

Exams

There will be 2 “quizzes”, 1 midterm, and 1 final exam. The dates for the quizzes and midterm are as follows:

- **Quiz 1:** Friday, **October 16**
- **Midterm:** Thursday, **November 5**
- **Quiz 2:** Friday, **November 20**

To answer an anticipated question, the final exam WILL be cumulative. The final exam is scheduled as follows:

- **Friday, December 18, 2:30pm–4:20pm**

The only acceptable reason to ask for an alternative date/time for the final exam is when there is a direct conflict with another exam. I cannot schedule an alternative time to accommodate travel, so plan accordingly.

For the exams, you need to bring pens and a basic calculator. You are allowed to use a graphing or scientific calculator, but please only use the basic functions.

Grading

I will automatically drop your lowest problem set grade and determine your final grade according to the following rubric:

- **Problem Sets:** 25%
- **Quizzes:** 15% on highest, 10% on lowest
- **Midterm Exam:** 20%
- **Final Exam:** 30%

Your final grade will be scaled to the standard UW Evans School grading scale. Typically, the mean is around 3.4 but depends on the relative performance of the class to the School’s standards. I retain the right to give a small boost to those students whom I feel have contributed quality thoughts and interpretations to class discussion (this will only be given to a handful of students, so do not just assume you will get it!)
Reading List

I have divided this course into several general topics. More details about the timing of the readings will be discussed in class and/or posted online. Additional readings may be posted online and/or distributed in class. All readings are required.

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<td>Supply &amp; Demand</td>
<td>Chs. 2, 3</td>
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<td>Consumer Choice Theory</td>
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<td>Demand Redux</td>
<td>Ch. 5.1–5.3, 5.5</td>
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<td>Production &amp; Costs</td>
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<td>Perfect Competition &amp; Welfare</td>
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<td>Special Topic(s)</td>
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Additional Information

Academic Honesty

All students are expected to uphold the policies set forth in the Evans School student handbook regarding Academic Integrity. Violations of the stated policies may result in a zero grade in the course and potential further actions.

Availability of Accommodations

If you have a disability or believe that you qualify for accommodations under the Americans with Disabilities Act or other laws, please contact Disability Resources for Students ([http://depts.washington.edu/uwdrs](http://depts.washington.edu/uwdrs)) in Mary Gates Hall, 206-543-8924 (Voice), 206-543-8925 (TTY). If Disabled Resources for Students concludes that you have a disability requiring academic accommodation, please meet with me to discuss the accommodations you might need for the class. Appropriate accommodations can only be arranged through that office, and may not be made retroactively. All information will be kept confidential.