PPPA 6085 -- Intermediate Microeconomics

George Washington University
Trachtenberg School of Public Policy and Public Administration
Fall 2015


Course Description and Objectives

This course presents intermediate microeconomics, with a focus on policy-relevant topics and examples.

As a result of completing this course you should be able to

- Understand micro economic theory at an intermediate level
- Conduct graphical and algebraic quantitative analyses
- Apply supply and demand logic to policy problems
- Apply theories of public goods and tax incidence to policy problems
- Critically evaluate economic arguments in media and policy sources

Contact and Office Hours

Professor: Leah Brooks

Media and Public Affairs Building, Room 601F
Office Hours: Thursdays 2:45 to 4:45 PM, and by appointment
Scheduler
lfbrooks at gwu.edu
202-994-4703

Contact policy: I will do my best to answer emails within 24 hours during weekdays, or within 24 hours on the soonest weekday if you email on the weekend. If you do not hear from me within this time frame, you should assume that your email has been lost and you should re-send.

If you have missed a class, your first line of defense to ask what you have missed is another student.

Graduate Assistant: Monika Jansen

monikajansen at gwu.edu
Do not call after 9:30 pm! 530-902-1335
Office Hours: Tuesdays and Thursday, 5:30 to 8 pm, MPA 602A
Sunday office hours are also available upon request, with 24 hours notice by email.

Course Logistics
Prerequisites

None. If you have already taken Intermediate Microeconomics elsewhere, I suggest that you skip this class and enroll directly in 6014, Economics in Policy Analysis. If you have never taken economics and are a MPP student, this course is required. If you are unsure whether this course is for you, please email me.

Readings

Required textbook: Goolsbee, Levitt and Syverson, Microeconomics.

Both are on order at the campus bookstore. Please let me know if you have difficulties obtaining any of the readings, or have issues with links. Readings are subject to change, given the pace at which we move through the material.

Course Overview

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<td>Externalities and Public Goods</td>
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<td>Tax Incidence</td>
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Course Content

Outline is preliminary and subject to change.

1. Intro, Supply and Demand
   ○ GLS, Chapters 1 and 2, skimming 2.5
2. Supply and Demand and Policy
   ○ GLS, Chapter 3
   ○ Priceline and consumer surplus [link]
3. Consumer Behavior
   ○ GLS, Chapter 4
4. Elasticity
   ○ GLS, Section 2.5
   ○ Avocados and elasticity, [link]
5. Individual and Market Demand
   ○ GLS, Chapter 5
6. Producer Behavior
   ○ GLS, Chapter 6
7. Costs
   ○ GLS, Chapter 7
8. Midterm
9. Supply in a Competitive Market
   ○ GLS, Chapter 8
10. Market Power and Monopoly
    ○ GLS, Chapter 9
11. Externalities and Public Goods
    ○ GLS, Chapter 16
    ○ Two podcasts on public goods
      ■ Lighthouses, Autopsies, and the Federal Budget, [link]
      ■ How to Stop an Asteroid, [link]
12. Tax Incidence
    ○ Gruber, Chapters 18 and 19
13. Social Insurance
    ○ Gruber, Chapter 12
14. Leftovers and Review
    ○ Notes, as needed

Evaluation

1. Problem Sets (15%)
   ○ Problem sets are designed to practice the skills we learn in class and prepare you for the exams
○ Turn them in in class at the beginning of class that they are due, or to my mailbox before class
○ There are 11 problem sets due during the semester. Nine will count toward your grade; you can choose to either skip two problem sets, or drop the lowest two grades.
○ I do not accept late assignments
○ We will grade completed problem sets on a check-plus (A), check (A-), and check-minus (B+) system
○ You are welcome and encouraged to work with others, but you must each turn in your own work, in your own words

2. Elasticity and Policy Memo (15%)
○ Paper is due at the final class, in class
○ Extensions will be given only the case of illness
○ Goal is to apply tools of elasticity to a policy of your interest
○ Any essays submitted late will decline by ten points for each twelve hours the essay is late, e.g. if the essay is due on Friday and is received Monday, if it would have received 70%, it now receives 30%
○ The paper should be no more than five pages.
○ I will hand out detailed instructions for this paper during our fourth class.

3. Midterm Exam (20%)
○ This is a closed book exam covering all material in the course through this point.
○ You are free to use a calculator for the exam, but you are not allowed to use the programming function if your calculator has one.
○ Do not plan to use your mobile as a calculator

4. Final Exam (30%)
○ This is a closed book exam covering all material in the course through this point, but with an emphasis on the latter half of the class.
○ You are free to use a calculator for the exam, but you are not allowed to use the programming function if your calculator has one.
○ Do not plan to use your mobile as a calculator

5. Class Participation (10%)
○ I expect that you will come to class having read the case study and ripped from the headlines material and prepared to engage with me and other students in discussing the material we are covering

6. Ripped from the Headlines (10%)
○ One to three students (depending on course size) chooses an article related to the topic of the course just covered
○ Article-choosing student must email me and the presenter the link to the article by Thursday following class at noon (for the class the following Tuesday). I will ok the article; do not proceed without this ok.
○ One to three (depending on course size) students prepare short presentations (5 mins or less) on how the article supports or rejects hypotheses we've learned in class
○ I will provide a detailed handout for this assignment the first class
○ More details on this when we know the number of students registered for the class

Handouts

• Ripped from the Headlines instructions
Assignments
- Afternoon session (10)
- Evening session (11)

Article finders' articles and presentations
- Afternoon session (10)
  1. First week: no articles
- Evening session (11)
  1. First week: no articles

• Problem Sets
  o Problem Set 1
    ■ problem set
    ■ answers
  o Problem Set 2
    ■ problem set
    ■ answers
  o Problem Set 3
    ■ problem set
    ■ answers
  o Problem Set 4
    ■ problem set
    ■ answers
  o Problem Set 5
    ■ problem set
    ■ answers
  o Problem Set 6
    ■ problem set
    ■ answers
  o Problem Set 7
    ■ problem set
    ■ answers
  o Problem Set 8
    ■ problem set
    ■ answers
  o Problem Set 9
    ■ problem set
    ■ answers
  o Problem Set 10
    ■ problem set
    ■ answers
  o Problem Set 11
    ■ problem set
    ■ answers
  o Problem Set 12
    ■ problem set
    ■ answers

• Elasticity Memo
  o Instructions
  o General Comments
**Trachtenberg School Course Policies**

- **The Syllabus**
  This syllabus is your guide to the course. If any questions arise, please check the syllabus before contacting me or the TA. Sound educational practice requires flexibility and I may revise content and requirements during the semester.

- **Late or Missed Class**
  If you are late or absent from class, it is your responsibility to obtain all announcements, assignments, and handouts from Blackboard or from your classmates.

- **Exam Dates**
  Please notify me in the first two weeks of class if you are aware of a pre-existing conflict, such as a religious holiday you observe, that will preclude you from taking either the midterm or final at the assigned time. To the extent possible, we will work together to reschedule the exam as close to the original date as possible.

- **Submission of Written Work Products Outside of the Classroom**
  It is your responsibility to ensure that I receive your assignment on time. It is not permissible to submit assignments on the digital dropbox of Blackboard unless I tell you so.

- **Collaboration on Assignments**
  You are welcome to work in groups; however, you are expected to write up your answers individually. This means that no phrases on your assignment should mimic phrases on any other student's work.

- **Submission of Written Work Products after Due Date**
  All work must be submitted by the assigned due date in order to receive full credit. Only extreme circumstances warrant exceptions. Late assignments will be marked down for each day that they are late.

- **Academic Honesty**
  All examinations and other graded work products are to be completed in conformance with the George Washington University Code of Academic Integrity. Note especially the definition of plagiarism: “intentionally representing the words, ideas, or sequence of ideas of another as one's own in any academic exercise; failure to attribute any of the following: quotations, paraphrases, or borrowed information.”

- **Incompletes**
  You must consult with me to obtain an incomplete no later than the last day of classes in the semester. At that time, we will both sign the CCAS contract for incompletes and submit a copy to the School Director. Please consult the TSPPPA Student Handbook or visit this link for the complete CCAS policy on incompletes.

- **Changing Grades After Completion of Course**
  No changes can be made in grades after the conclusion of the semester, other than in cases of clerical error.

- **Accommodation for Students with Disabilities**
  If you need extra time on exams or assignments due to a disability, let me know in the first week of class. In order to receive accommodations on the basis of disability, you'll need to provide proper documentation to the Office of Disability Support Services, Marvin Center 436, 202-994-8250. Accommodations will be made based upon the recommendations of the DSS Office.
• **University Counseling Center**
  The University Counseling Center (UCC), 202-994-5300, offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations; confidential assessment, counseling services (individual and small group), and referrals

• **Religious Holidays**
  If you need to miss a class to observe a religious holiday, please notify me the first week of classes about any conflict; we will arrange an absence without penalty.