

Economics 100A: Economic Analysis – Micro

Lecture: Tuesday, Thursday, 2:00-3:30, Wheeler Auditorium

Course Description:

Economics is a social science. We are fundamentally interested in human behavior and its consequences. Humans makes choices in a world characterized by scarcity (e.g. time, resources, talent). This course will teach you a wonderful framework to help you think about how individuals make choices in this setting and what the consequences are for other individuals, firms and the environment. This course will teach you the core microeconomic models of consumers, firms, and markets, and how to use those models to analyze real-world economic situations. The emphasis is on building intuition and analysis: how do we take a set of simplistic assumptions about human behavior, transform them into a simple mathematical model, and then use the model to analyze the economic consequences of consumer or firm choices and/or government policies. In addition to learning how to do analysis, you will learn some of the basic and generalizable insights that economists have derived from these basic models. Along the way you will hopefully become comfortable using math, both as a tool for problem solving, and as a language for communicating ideas.

Prerequisites and Math:

The prerequisites are: ECON 1, 2 or C3, or ENVECON 1; MATH 1A or 16A; MATH 1B or 16B; or equivalent. If you do not have these prerequisites, you will need to spend significant extra time developing the necessary skills. The class involves calculus, some of which may be new to you. We will support you in learning whatever math you need, but some of you will need to work hard to acquire the necessary math proficiency.

Enrollment:

Please direct ALL enrollment questions to the departmental head GSI: headgsi@econ.berkeley.edu. (Including instructor approval requests.) Head GSI office hours are posted on the office door at 548 Evans.

You must attend the first two sessions of the section in which you are enrolled in order to remain enrolled. If you do not attend section by that deadline, you will automatically be dropped from the entire course.

Office Hours:

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| • Prof. Card (Until February 12): | Thursdays 11am – 1pm; | 631A Evans Hall. |
| • Prof. Rothstein (Feb 19 – March 21): | Mondays 10am – noon; | 356 GSPP. |
| • Prof. Auffhammer: (April 1 – May 8): | TBA | |

Email:

Prof. Card's email address is card@econ.berkeley.edu. Professor Rothstein's email address is rothstein@berkeley.edu. Professor Auffhammer's email address is auffhammer@berkeley.edu. Your GSI or Piazza (see below) should be your first point of contact for questions relating to lecture and the material. The Head GSI for the course is Maximilian Mueller: mwmueller@berkeley.edu.

bCourses and Piazza:

The bCourse site for the course is “Intermediate Microeconomics (Spring 2019)”. We will use bCourses for posting problem sets and sending announcements. It is your responsibility to read all announcements carefully.

In addition, we will use the Piazza tool in bCourses to answer questions about problem sets and exam prep. Please post your questions to Piazza instead of emailing me or your GSI. We simply do not have the bandwidth to do one on one email tutoring. Piazza will be available on bCourses.

Sections and GSI's

Your GSI will review material from lecture and help you understand the problem sets and prep for exams. Attendance and participation in section are required. Your GSI will assign your section participation grade. You must attend the section that you are officially enrolled in. You are most strongly urged to attend office hours for your GSI only.

For questions about problem sets and exams, use Piazza. If you send questions about problem sets and exams to your GSI, they will send you to Piazza. For most other questions and issues, email your GSI. If you have concerns or constructive criticism about your GSI, please let me know. I will preserve your anonymity wherever possible.

Webcasts:

Lectures will be webcast and posted as quickly as ETS can get them up there. Experience shows that re-watching difficult lectures has significant (positive) returns. We go over a lot of material in 80 minutes.

Multi-tasking:

You are grown ups. You know that multi-tasking in class is a bad idea. You may use tablets to take notes. We are old but not curmudgeons. Please use it in a fashion respectful to your neighbor. We do not allow devices with mechanical keyboards (e.g. laptops) as the hammering away is really distracting to everyone around you. Turn off all sound on your devices. And turn off your cell phone. If it goes off and we can name the song of your ringtone, you are bringing us fancy coffee beverages to the next lecture.

Book:

The textbook is Hal Varian, "Intermediate Microeconomics, A Modern Approach" 9th edition. It is the preferred textbook and is available at ASUC or online. There is more than one Varian book. Make sure you get the right one. If you get a previous edition, it is up to you to figure out what readings to do. Some people in the past have not enjoyed Varian. There is no great substitute, but one possibility is Microeconomics by Goolsbee, Levitt and Syverson (2nd edition). It is also available at the bookstore. It has more real world examples, but is a bit shallower on technical aspects.

Readings:

The readings are required to help you understand the material presented in class. I will follow the Varian book in lecture.

Class Participation:

You will be graded on participation in lecture. You can earn one participation point per lecture. To earn a participation point you must participate in every iClicker activity in a lecture. Participation grading will begin on Tuesday, January 29th. You will get four "free passes" on lecture participation over the course of the semester.

You are responsible for registering your iClicker. If your iClicker is not correctly registered, you will not get participation credit. If you forget your iClicker or it stops working, that will count as one of your free passes. There are no exceptions, even if your clicker stops working or runs out of battery.

Having someone else use your clicker for you, or using someone else's clicker for them, are not allowed. See "Academic Honesty" below.

Problem Sets:

There will be a problem set every week. The problem sets will not be graded. They will be handed out without answers and you will receive an answer key a week later. The answer keys are required reading. We strongly encourage you to first attempt these on your own and then form a study group to go over the problems.

Video Modules:

The University of California developed a comprehensive set of short"ish" videos introducing and discussing the concepts covered in this class and more. These are truly excellent. We realize that no matter how hard we try, we cannot get you to do reading before class. But we are hoping to get you to watch one or two videos for anywhere between 10-20 minutes before coming to class. Next to each lecture listed at the end of the syllabus you will see the required video(s) you should watch prior to coming to class. These can be found under "modules" on the bcourses site. Here comes the trick. For each video there is a one question quiz on bcourses, which you must take prior to each lecture. You cannot take it after the lecture. It is designed to check that you actually watched the video (instead of having it run in the background while playing Fortnite). The quiz must be taken by midnight prior to each lecture. You get 3 free ones, which should cover all possible excuses.

Exams:

There will be two midterms and a final. The final will be cumulative. Exams will include some problems similar to the problem sets, and some problems that will be less familiar to you. To receive excellent scores on the exams you will need to be able to tackle the less familiar problems.

There are no make-up exams. If you need to miss a midterm you must contact me before 8:00 am on the day of the exam with an excuse that meets University standards. Please be prepared to provide whatever documentation is necessary to support your excuse. I will give you an additional assignment. If it is completed satisfactorily your other exams will be reweighted. If you do not have an appropriate, documented excuse, or if you do not complete the alternative assignment satisfactorily, you will receive a zero for the midterm.

If you miss the final with an excuse that meets University standards you will receive an incomplete for the course and will be required to take the final for the course in spring, summer or fall of 2019 in order to receive a letter grade. Please note that travel plans are not an approved excuse for missing an exam. If you make travel plans that conflict with the final for any reason other than a University approved excuse, you will receive a zero for the final.

The midterms will be held at the regular lecture time and location. See course outline for dates. If there is a fire alarm during an exam we will continue the exam outdoors, rain or shine.

Student-athletes and musicians are expected to be familiar with the policy on academic conflicts: <http://academic-senate.berkeley.edu/sites/default/files/guide-acad-sched-conflicts-final-2014.pdf>. Written notification of scheduled or potential conflicts must be given to the 100A Head GSI by Thursday, January 24.

Grades, Grading, and Regrading:

Your grade will be weighted as follows: Lecture participation, 6%; Section participation, 6%; Video quizzes 8%; Midterm 1, 20%; Midterm 2, 20%; Final, 40%.

Omissions or clerical errors on exams will be corrected upon request. Substantive re-grade requests for midterms must be submitted in writing to **your GSI** within one week of getting your graded exam back. Your entire exam will be regraded — by a different GSI or by faculty — and your grade may go up or down.

Academic Honesty:

Cheating is dishonorable and causes harm to others. It is also a violation of the [Student Code of Conduct](#).

- Cheating on an exam will result in an F for the course. Incidences of cheating will be reported to the Center for Student Conduct, which may administer additional punishment.
- Using someone else's clicker, or having someone use yours, will result in a zero for all lecture participation and a reduction of one full letter grade (e.g. from A- to B-) in your final grade for the class.

Special Accommodations:

If you require disability-related accommodations for exams or lecture, you must obtain a Letter of Accommodation (LOA) from Disabled Students' Program (<http://dsp.berkeley.edu>, 260 César Chávez Center). DSP's Proctoring Service requires notice of participants at least two weeks in advance of an exam. Request for exam accommodation must be received and acknowledged by me or the head GSI at least two weeks before an exam, which is DSP's own internal deadline for scheduling the proctoring of exams. If your letter is not received by this deadline, we may not be able to accommodate you.

Tutoring:

Economics Department grad students offer free tutoring. <https://www.econ.berkeley.edu/undergrad/home/tutoring>. Twitter @CalEconTutoring. A list of tutors-for-hire (about \$50/hour) is also available at the Econ Dept Tutoring Center website. Also the Student Learning Center (SLC) offers Study Group and Drop-in Tutoring for Economics 100A. These services are free for registered Cal students. Additional information is available at <http://slc.berkeley.edu/econ>.

Asking for Help:

Everyone needs help sometimes. Feel free to approach us about anything that is affecting your learning, your academic success, or your happiness. You are unlikely to have any difficulty that has not been shared by thousands of students before you, and I guarantee you, whatever it is, we won't be surprised or shocked.

Course Outline

	Date	Day	Type	Topic	Varian	GLS	Video
C a r d	1/22/19	Tu	Lecture	Introduction	N/A	N/A	
	1/24/19	Th	Lecture	Budget Constraint	2	4.3	C2a
	1/29/19	Tu	Lecture	Preferences	3	4.1 & 4.2	C1a; C1b
	1/31/19	Th	Lecture	Utility	4	4.1 & 4.2	C1.c; C1.e
	2/5/19	Tu	Lecture	Choice	5	4.4	C1.g; C1.i
	2/7/19	Th	Lecture	Demand	6	5.1 & 5.2	C2c; C2e
R o t h s t e i n	2/12/19	Tu	Lecture	Slutsky Equation	8	5.3 & 5.4	C6a, C6b, C6d
	2/14/19	Th	Midterm 1	Includes all material up to and including 2/7/18			
	2/19/19	Tu	Lecture	Consumer Surplus	14	3 (CS only)	C7b
	2/21/19	Th	Lecture	Market Demand	15	5.5	B3a
	2/26/19	Tu	Lecture	Labor Supply	9.8 & 9.9	13.1 & 13.2	C8a, C8b
	2/28/19	Th	Lecture	Uncertainty	12	14.4	C10a; C10b
	3/5/19	Tu	Lecture	Technology	19	6.1-6.3	D1a; D1b; D1c; D1d
	3/7/19	Th	Lecture	Profit Maximization	20	8.2	No Videos!
	3/12/19	Tu	Lecture	Cost Minimization	21	6.4-6.7	D2a; D2b; D2c; D2d
	3/14/19	Th	Lecture	Cost Curves	22	7	D2i; D2l
A u f f h a m e r	3/19/19	Tu	Lecture	Firm Supply	23	8.3, 8.4	D3a; D3b
	3/21/19	Th	Midterm 2	Includes all material starting 2/12/18 and ending and including 3/14/18			
	3/26/19	Tu	Break	You rest and recover from a strenuous first half of the semester.			
	3/28/19	Th	Break				
	4/2/19	Tu	Lecture	Industry Supply	24	8.4 - 8.6	D3e; D3f; D3i
	4/4/19	Th	Lecture	Equilibrium	16	2 & 3	E1a; E1b; E1e
	4/9/19	Tu	Lecture	Monopoly	25	9	G1a; G1b
	4/11/19	Th	Lecture	Monopoly Behavior	26	9	G1d; G1f
	4/16/19	Tu	Lecture	Game Theory	29	12	F1a; F1b
	4/18/19	Th	Lecture	Oligopoly	28	11	G3a
r	4/23/19	Tu	Lecture	Public Goods	37	17	H2a
	4/25/19	Th	Lecture	Externalities	35	17	H1a
	4/30/19	Tu	Lecture	Adverse Selection	38	16	I1a
	5/2/19	Th	Last Lecture	Conclusion	N/A	N/A	
	5/13/18	Mo	Final Exam	Cumulative Final on all material			