

Microeconomics for Public Policy I

Course Logistics

- » Section 12: Tuesdays, 3:30-5:20, 1776 G St., Room C-115
- » Section 11: Tuesdays, 6:10-8:00, Duques 259

Course Description and Objectives

Policy decisions are usually motivated by economic conditions, mediated by economic conditions, or yield economic consequences. To be a policy-maker or offer coherent policy advice, you must understand the likely motivations for and consequences of policy actions. This course is the first step toward analyzing the economic factors that motivate decisions, and gives you a framework to anticipate likely consequences of policy choices.

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

- » Appreciate the role of economics in policy
- » Understand how the market arrives at a price
- » Use the graphic logic of supply and demand to trace out consequences of policy choices
- » Predict how a new tax will impact the equilibrium price and the distributional consequences for market participants
- » Understand why public goods are different than private goods and what this means for their provision
- » Critically evaluate economic arguments in media and policy sources
- » Understand micro economic theory at an intermediate level

Contact and Office Hours

Professor: Leah Brooks

Media and Public Affairs Building, Room 601F

Office Hours: Mondays 10 am to 1 pm -- except the three Monday holidays, in which case office hours are Tuesdays 10 am to 1 pm

Use the scheduler to book these times.

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.

If you cannot make it to office hours in person, I am happy to talk on the phone or via google hangout. If you want to reach me by phone, please just call at the time you have scheduled. If you'd prefer to use google hangout, please let me know in advance and I will be online.

Graduate Assistants

Isabella Higgins

email tba

Office Hours: TBA

Contact policy: TBA

McCall Hopkin

email TBA

Office hours: TBA

Contact policy: TBA.

Prerequisites

None. If you have already taken microeconomics elsewhere, I suggest that you skip this class and enroll directly in Microeconomics for Policy II (PPPA 6014). 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 consult the FAQs about which econ course to take. If you remain unsure after carefully reading this FAQ please email me.

This course requires a basic knowledge of linear algebra. Specifically, you need to know how to graph linear equations of the form $y = mx + b$, and how to solve two linear equations for two unknowns (this means find y and x in terms of a , b , c , and d , given $y = ax + c$ and $y = d - bx$). If you have not mastered these skills before the beginning of class, it will substantially hinder your ability to understand the economics. I want to be sure that you spend the class thinking about how math helps you tell an economic story, and not trying to understand how to manipulate algebra.

If you are concerned about your algebra abilities, or if you would like a refresher, you have multiple options. If you have not already taken the math assessment the Trachtenberg School sent over the summer, I advise you to do this as soon as possible. If you feel you'd like a refresher, use the links here to work on these subjects.

Readings

Required textbook: Goolsbee, Levitt and Syverson, *Microeconomics*, Second Edition.

Required reading packet: TBA Selected chapters from Gruber, *Public Finance and Public Policy*, Second Edition (Chapter 7, pages 184-189; Chapter 12, pages 321-351; Chapter 19, pages 557-586) and from Rosen and Gayer, *Public Finance*, Tenth Edition (Chapter 4, pages 54-70).

The textbook and reading packet are available at the campus bookstore. While you are welcome to find alternative sources for purchase, you are required to cover the reading material assigned.

Course Overview

C#	Date	Topic	Due
1	August 28	Intro, Supply and Demand	
2	September 4	Supply and Demand and Policy	Problem Set 1
3	September 11	Elasticity, Paper Assignment	Problem Set 2
4	September 18	Consumer Behavior	Problem Set 3
5	September 25	Individual and Market Demand	Problem Set 4
6	October 2	Tax Incidence	Problem Set 5
	October 9	Fall Break	
7	October 16	Midterm	Problem Set 6
8	October 23	Producer Behavior	Elasticity memo draft to classmates
9	October 30	Costs	Problem Set 7
10	November 6	Supply in a Competitive Market	Problem Set 8
11	November 13	Market Power and Monopoly	Problem Set 9, Elasticity Memo due
12	November 20	Externalities and Public Goods	Problem Set 10
13	November 27	Social Insurance	Problem Set 11

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. Eight will count toward your grade; you can choose to either skip three problem sets, or drop the lowest three 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 (20%)

- » Paper is due at the eleventh class, at the beginning of 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 third class.
- » I encourage you to meet with me to discuss your project. Do not wait to schedule until the week before as I am likely to be fully booked.
- » By class 8, you must turn in a draft for review by classmates.
 - » This assignment is worth 10% of the overall memo grade, or 1.5% of your final grade
 - » Turn in the paper to a google folder (instructions to follow)
 - » Respond with comments by midnight Tuesday October 25.
 - » This assignment is graded by whether or not you have posted a draft, and the quality of your comments on others' work (check,

check +, check -, as on the problem sets)

- » If you do not post a draft that is minimally sufficient (as I define on the handout), you cannot receive credit for this assignment
- » For each 12 hours that the paper or comments are late, your grade declines by one letter.

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 phone as a calculator

4. Exam 2 (25%)

- » 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 phone 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 (3 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
- » Grading:
 - » B- or below indicates that the student made a substantial error in the application of course material
 - » B indicates that the student identified some course-related content but may have misapplied some central issues

- » B+ is an average grade on this assignment: the student identifies some key issues from the previous class that are mentioned in the article
- » A- indicates that the student has done some more novel or creative or particularly clear interpretation.
- » A indicates that the student has both understood the article and its application quite well and has expanded on the concept in a meaningful way.

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.

» *Inclusivity*

Higher education works best when it becomes a vigorous and lively marketplace of ideas in which all points of view are heard. Free expression in the classroom is an integral part of this process. At the same time, higher education works best when all of us approach the enterprise with empathy and respect for others, irrespective of their ideology, political views, or identity. We value civility because that is the kind of community we want, and we care for it because civility permits intellectual exploration and growth.

» *Late or Missed Class*

If you are late or absent from class, it is your responsibility to obtain all announcements, assignments, and handouts from this website or from your classmates. As participation is part of your grade, and because attendance in class helps you learn, missing many classes will be detrimental to your final grade. Missing one class should have no effect. You do not need to notify me in advance if you are going to miss class.

» *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 exam 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 digitally unless I indicate 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.”. For details and complete code, please look here.

» *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. See GW's policy [here](#).

» *Safety and Security* In the case of an emergency, if at all possible, the class should shelter in place. If the building that the class is in is affected, follow the evacuation procedures for the building. After evacuation, seek shelter at a predetermined rendezvous location.

» *Out of Class Learning*

Average minimum amount of independent, out-of- class, learning expected per week: In a 15 week semester, including exam week, students are expected to spend a minimum of 100 minutes of out-of- class work for every 50 minutes of direct instruction, for a minimum total of 2.5 hours a week.

