

**M, W 11:10am-12:25pm**  
**HULB 27**

**Instructors:** Ana Espinola-Arredondo [Hulbert 111C, [anaespinola@wsu.edu](mailto:anaespinola@wsu.edu)] and Greg Galinato [Hulbert 203C, [ggalinato@wsu.edu](mailto:ggalinato@wsu.edu)]

**Office hours:** Ana Espinola-Arredondo [11:00am-12:00pm T] and Greg Galinato [3:30-4:30pm M, W] or by appointment.

**TA:** TBA

**Office hours:** TBA

**Class webpage:** <https://people.ses.wsu.edu/espinola/> and <http://people.ses.wsu.edu/galinatog/>

**Recommended preparation:** Intermediate microeconomics and calculus.

**Learning Goals and Outcomes:**

*Learning goals.* This class is a Master's level course that focuses on the fundamentals of consumer and producer theory. Topics covered in this course include consumer's preferences and utility, oligopoly markets, welfare economics, game theory, economics of information, production theory, market structure and market failures. We will study theoretical models and empirical evidence for a wide variety of economic phenomena.

*Learning Outcomes:* This course aims to provide students with a framework to understand how the economy works. Students will be able to apply the models learned to understand and appreciate a wide range of economic and social issues. Several quizzes and assignments will help students to review the critical economic concepts and apply them to real life situations. In addition, two midterms and a final exam will provide students with the necessary training to apply complex microeconomic concepts to real-world economic issues. Students successfully completing this course will demonstrate:

- Mastery of core microeconomic theory pertaining to consumers, firms, and social choice
- Ability to use calculus for comparative static and constrained optimization analysis of real-world economic problems
- Prerequisite knowledge of microeconomic theory for higher master's-level EconS courses

**Texts and Assigned Readings:**

- **Required textbook:** Felix Munoz-Garcia. Advanced Microeconomic Theory: An Intuitive Approach with Examples. 2017. ISBN: 9780262035446. You can find it at the Washington State University Bookstore ("Bookie").
- **Recommended textbook:** Varian, Hal R. Microeconomic Analysis. Third Edition. W.W. Norton, 1992. ISBN-13: 978-0393957358. This textbook can be found in the WSU library or it can be obtained in Amazon: <https://www.amazon.com/Microeconomic-Analysis-Third-Hal-Varian/dp/0393957357>
- **Recommended textbook for game theory section:** Gibbons, R. Game Theory for Applied Economists. Princeton University Press, 1992. ISBN-13: 978-0691003955. This textbook can be found in the WSU library or it can be obtained in Amazon: <https://www.amazon.com/Theory-Applied-Economists-Robert-Gibbons/dp/0691003955>

**Assignments and Evaluation:**

Two exams will count for 20% each. The first exam covers consumer preferences until contract theory. The second will cover production until market failure. The Final Exam will cover all the material discussed during the semester. The average of the best three of four quiz scores will count 10%. Eight assignments will be assigned during the semester. Late assignments will be marked 25% off late assignments if submitted between 1-8 hours after class, no credit thereafter. Make up for exams are always possible only if reasons beyond the student's control can be verified (family emergency, hospitalization, etc.).

Assignments	Number	Percentage
Exam 1	1	20%
Exam 2	1	20%
Quiz	4	10%
Homework	8	20%
Final exam	1	30%
<b>Total</b>		100%

**Grading Scale:**

<b>A</b>	<b>95-100</b>	<b>C-</b>	<b>50-54.9</b>
<b>A-</b>	<b>85-94.9</b>	<b>D+</b>	<b>45-49.9</b>
<b>B+</b>	<b>80-84.9</b>	<b>D</b>	<b>40-44.9</b>
<b>B</b>	<b>70-79.9</b>	<b>F</b>	<b>0-39.9</b>
<b>B-</b>	<b>65-69.9</b>		
<b>C+</b>	<b>60-64.9</b>		
<b>C</b>	<b>55-59.9</b>		

**Tentative Class Calendar and Topics:**

Week	Topic	Chapter
1 - 2	Consumer's preferences and utility	CH 1 MG
3	Demand Theory	CH 2 MG
4	Uncertainty	CH 5 MG
5-6	Game theory	CH 8 and Gibbons 1-2
7	Oligopoly	CH 8 and Varian 25
8	Contract Theory	CH 10 MG
9-10	Technology and Profit	Varian 1-3
11-12	Cost and Duality	Varian 4, 6
13	Competitive Markets	Varian 13
14	Thanksgiving	
15	Monopoly	Varian 14
16	Market Failures	Varian 23, 24

**Prof. Espinola-Arredondo (August 20<sup>th</sup> – October 10<sup>th</sup>):** Midterm #1 October 8<sup>th</sup>, 2018; Quiz #1 August 29<sup>th</sup>, Quiz #2 September 12<sup>th</sup>, Quiz#3 September 26<sup>th</sup> and Quiz #4 October 3<sup>rd</sup>.

**Prof. Galinato (October 15<sup>th</sup> - December 5<sup>th</sup>):** Midterm #2 November 28, 2018;

**Final Exam:** Friday December 14<sup>th</sup> at 3:10p.m.

### **Disability Resource Accommodation:**

Students with Disabilities: Reasonable accommodations are available for students with a documented disability. If you have a disability and need accommodations to fully participate in this class, please either visit or call the Access Center (Washington Building 217; 509-335-3417) to schedule an appointment with an Access Advisor. All accommodations MUST be approved through the Access Center. For more information contact a Disability Specialist on your home campus:

Pullman or WSU Online: 509-335-3417 <http://accesscenter.wsu.edu>, [Access.Center@wsu.edu](mailto:Access.Center@wsu.edu)

Spokane: <https://spokane.wsu.edu/studentaffairs/disabilityresources/>

Tri-Cities: <http://www.tricity.wsu.edu/disability/>

Vancouver: 360-546-9138

<http://studentaffairs.vancouver.wsu.edu/student-resourcecenter/disability-services>

### **Academic Integrity:**

Academic integrity is the cornerstone of higher education. As such, all members of the university community share responsibility for maintaining and promoting the principles of integrity in all activities, including academic integrity and honest scholarship. Academic integrity will be strongly enforced in this course. Students who violate WSU's Academic Integrity Policy (identified in Washington Administrative Code (WAC) 504-26-010(3) and -404) will receive [insert academic sanction (e.g., fail the course, fail the assignment, etc.)], will not have the option to withdraw from the course pending an appeal, and will be reported to the Office of Student Conduct.

Cheating includes, but is not limited to, plagiarism and unauthorized collaboration as defined in the Standards of Conduct for Students, WAC 504-26-010(3). You need to read and understand all of the definitions of cheating: <http://app.leg.wa.gov/WAC/default.aspx?cite=504-26-010>. If you have any questions about what is and is not allowed in this course, you should ask course instructors before proceeding.

If you wish to appeal a faculty member's decision relating to academic integrity, please use the form available at [conduct.wsu.edu](http://conduct.wsu.edu).

### **Campus Safety Plan**

Classroom and campus safety are of paramount importance at Washington State University, and are the shared responsibility of the entire campus population. WSU urges students to follow the "Alert, Assess, Act" protocol for all types of emergencies, and the "Run, Hide, Fight" response for an active shooter incident at <http://police.wsu.edu/activeshooter.html>. Remain ALERT (through direct observation or emergency notification), ASSESS your specific situation, and ACT in the most appropriate way to assure your own safety (and the safety of others if you are able). Please sign up for emergency alerts on your account at MyWSU. For more information on this subject, campus safety, and related topics, please view [the FBI's Run, Hide, Fight video](#) and visit the WSU safety portal [<https://faculty.wsu.edu/classroomsafety>]