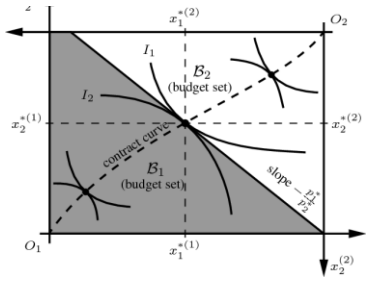
SYLLABUS - LOGISTICS

Economics 20000

The Elements of Economic Analysis

Autumn Quarter 2023



Edgeworth Box Image by Rami Mochaourab

Prerequisites

This class will assume you are comfortable with the multivariable calculus: See course catalog for current math requirements.

Measured Learning Objectives

Identify various economics concepts and their applications.

Construct a consumer choice problem from a provided example scenario.

Translate a provided consumer choice problem into different analysis settings.

Solve a consumer choice problem under different specifications or scenarios.

Synthesize solutions with economic knowledge to extrapolate the implications for consumers.

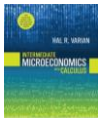
Description

Department Website: This course develops the economic theory of consumer choice. This theory characterizes optimal choices for consumers given their incomes and preferences, as well as the relative prices of different goods. This course develops tools for analyzing how these optimal choices change when relative prices and consumer incomes change. Finally, this course presents several measures of consumer welfare. Students learn how to evaluate the impact of taxes and subsidies using these measures.

Textbooks

I do not assign mandatory pre-reading or homework questions from any textbook. I will provide the reference to the relevant chapters in each book listed below in the Topic Summary of each class.

(L) Lima, Victor. Lecture Notes for Econ 20000 Honors. Available for purchase from the Social Sciences Copy Room (SS 103). Will also be available for online viewing using link of Canvas. Generally the level is too high, but it covers all the material in this course.



(V) Varian, Hal. Intermediate Economics with Calculus. (There is a non-calculus version available. Don't get that one!). This is a classic textbook that many online resources will refer to, but it is too low-level in some chapters.

(P) Perloff, Jeffrey. Microeconomics: Theory & Applications with Calculus. Similar level to Varian. Tries to incorporate more data as part of the examples.

(B) Banerjee, Samiran. Intermediate Microeconomics: A Tool-Building Approach. Has clear explanations on the "mechanical" parts of this course (great if you need help with the calculus, graphs, etc.). Does not include all the material we cover in the class.

(TR) Topical Readings. Articles or news stories that integrate the course content with current events or context. Will be distributed on Canvas, and referenced in homework if a required reading.

Econ 20000 SCHEDULE

	CLASS / *Discussion*	Office Hours		
MO	(1) 1:30-2:50pm (SHFE 203) (2) 4:30-5:50pm (SHFE 203)	10am-Noon SHFE 428	-	-
WE	(1) 1:30-2:50pm (SHFE 203) (2) 4:30-5:50pm (SHFE 203)	10am – Noon (Advising) SHFE 428		-
TH	-	3:30pm-5:00pm SHFE 428	1:20pm-3:20pm (around SHFE 141)	5pm-6pm (around SHFE 141)
FR	(1) *1:30-2:20pm (Stua 101)* (2) *1:30-2:20pm (SHFE 146)*			9am-10am (around SHFE 141)
		Dr. G.C. Pieters	**Joe Battles**	**HanBin Kim**
preferred salutation		Dr./Prof. Pieters she/her	Joe he/him	HanBin ("Hahn-bin") she/her
Email (@uchicago.edu)		gcpieters@	jbattles@	hanbin803@

STRUCTURE

In most classes, I will show relevant theory with an application to a real-world situation. Each class meeting introduces a "Quick Response Exercise" (QRE): an economic question to be discussed in groups with analysis ultimately shared with the entire class. Discussion sections revisit mathematical techniques and problems from class and introduce or revisit sample problems closely related to the homework. Discussion section material is selected and designed by the TA.

Homework questions are not a regurgitation of in-class examples. I design the homework assignment to evaluate whether you comprehend the material sufficiently to: (1) understand the question, and (2) complete the economic analysis of that question. The expectation is the same for quiz questions as you must understand the material, not simply memorize definitions or techniques. In addition to class attendance, I assume you will work on the provided practice problems, attend the discussion sections, and visit class hours or post on the Discussion board as needed. In contrast to the class-discussion based QRE and group-based homework, the biweekly quizzes are an individual-level assessment of your knowledge and understanding of the course material.

GRADES CALCULATION

Aggregate Individual Score, $\boldsymbol{AIS_i}$

Your *aggregated individual score* (AIS_i) will not be rounded and is calculated from the combination of the three graded components of this class: Homework, Quick Response Exercises (QRE), and Quizzes.

- Formative Assessment Component (30 points) = Homework Points + QRE Points + Bug Bounty Points
  - The formative assessment component of your grade cannot exceed 30 points. It is the sum of all your homework, QRE, and bug bounty points.
- Test Component (120 points): The sum of your 4 highest Quiz scores.
  - Each quiz is worth 30 points.

$$AIS_i\ (150) = Formative\ Component\ (30) + Quiz\ Component(120)$$

	D	D+	C-	C	C+	B-	B	B+	A-	A
Default										
Fixed (% out of 150)	90 60%	99 66%	102 68%	105 70%	114 76%	117 78%	120 80%	129 86%	132 88%	135 90%
Course Curves (cutoff used if lower than "Default")										
Curve 1: Distribution $\mu = Average\ AIS_i$ $\sigma = Std.\ Dev.$	$\mu - \frac{3}{2}\sigma$	$\mu - \frac{5}{4}\sigma$	$\mu - \sigma$	$\mu - \frac{3}{4}\sigma$	$\mu - \frac{1}{4}\sigma$	μ	$\mu + \frac{1}{4}\sigma$	$\mu + \frac{3}{4}\sigma$	$\mu + \sigma$	$\mu + \frac{5}{4}\sigma$
Curve 2: Share of Grades			C-: AIS_i of the top 75th			B-: Median AIS_i (50th percentile)			A-: AIS_i of the top 25th	

Grade Cutoffs

You will receive the highest letter grade for which your *aggregated individual score*, AIS_i, exceeds the grade cutoff score: $\boldsymbol{AIS_i \geq C_g}$. If the entire class demonstrates mastery of the material (all scores are higher than the cutoff for an A grade), then the entire class will get an A: there is no grade rationing. You are not in a grade competition with other students in this class. I will not certify your understanding as mastery (an A grade) if it is not deserved.

The highest AIS_i needed to **guarantee** a grade is given by the "Fixed" cutoff (If you have an 80%, you will receive no less than a B). I "curve the class" using one of the two curved cutoffs only if the cutoff is lower than the fixed cutoff. I *will never increase the cutoff above the fixed value*.

A "Pass" for a Pass/Fail grade is a D. You must earn a quality (letter) grade of a C- or higher for the course to count towards any track of the Economics major.

Other Grading Notes

• All your grades and graded work will be available on Gradescope. I will not post scores to Canvas because it cannot calculate grades correctly.

• The class average on assessments may vary greatly from assignment to assignment. Individual assessments will not be curved.

•No "Individual-Only" Extra Credit or "Grade Nudges". There will be NO additional grade assistance beyond the curves above. I ignore (and find insulting) all emails that ask for bonus assignments or a "grade nudge". **Everyone has equal opportunity to earn an A grade or to avoid an F**. Grades will not be adjusted to reflect the hours you report working on the course material, your effort, your class participation, your office hours or discussion section attendance, your financial aid status, etc. Your grades reflect only your understanding of the material as evaluated by assessments. Some students may be able to study for 10 minutes and obtain an A, while others can spend an entire week studying and receive an F.

CALENDAR

The following is an outline of all due dates. As the course progresses, the Lecture Topics associated with each class will be updated to reflect what was covered. If the material changes, the date of assessments will **NOT** change, rather the content will be altered.

Week	Date	Summary[§]	Lecture Topic	Due
1	M, Sep 25		(Quarter hasn't started yet)	-
	W, Sep 27	1	Scarcity Constraints	QRE 1
	F, Sep 29		*Discussion: Lagrangian Calculus Review*	-
2	M, Oct 2	2	Preferences & Indifference Curves	QRE 2
	W, Oct 4	3	Purposive Behavior and Optimization	QRE 3
	F, Oct 6		*Discussion: Homework*	Homework 1
3	M, Oct 9	4	Utility Functions and the Utility Maximization Problem	QRE 4
	W, Oct 11	5	Optimized Bundles	QRE 5
	F, Oct 13		*Discussion: Quiz Administered*	**Quiz 1**
4	M, Oct 16	6	Duality	QRE 6
	W, Oct 18	7	Income and Substitution Effects	QRE 7
	F, Oct 20		*Discussion: Homework*	Homework 2
5	M, Oct 23	8	Slutsky Decomposition	QRE 8
	W, Oct 25	9	Three Measures of Price Change Impact	QRE 9
	F, Oct 27		*Discussion: Quiz Administered*	**Quiz 2**
6	M, Oct 30	10	Thinking about Income	QRE 10
	W, Nov 1	11	Valuing Time Allocation	QRE 11
	F, Nov 3		*Discussion: Homework*	Homework 3
7	M, Nov 6	12	Value of Allocation Across Time	QRE 12
	W, Nov 8	13	Value of Allocation Across Time cont.	QRE 13
	F, Nov 10		*Discussion: Quiz Administered*	**Backup Quiz A**
8	M, Nov 13	14	Expected Utility	QRE 14
	W, Nov 15	15	Uncertainty and Insurance	QRE 15
	F, Nov 17		*Discussion: Homework*	Homework 4
9			*Nov. 20-24: Thanksgiving Break*	
10	M, Nov 27*	16	General Equilibrium of an Endowment Economy	QRE 16
	W, Nov 29	17	Pareto Optimality, Social Planner, and Distribution	QRE 17
	F, Dec 1		*Discussion: Quiz Administered*	**Quiz 3**
Finals**	Time and Date will Follow the Registrar's Schedule. Each Quiz is 50 minutes.			**Quiz 4 & Backup Quiz B**

[§] Corresponding textbook readings and supplementary readings should be determined from the topic summary posted on Canvas. You should also review the material posted to Canvas (the class slides and practice problems).

*This is the last day to Withdraw.

Pass/Fail must be declared by email **no later than the start of the final exam time slot time.

POLICIES AND RESOURCES

Documentation posted on Canvas: Econ 20000 Syllabus Policies - Autumn 2023 & Econ 20000 Syllabus Resources - Autumn 2023.