

**ECO 394K: Microeconomics**  
**Unique Numbers 33860, 33920, 33925, 33930, 33932, 33933, 33934**  
**Fall 2020 Syllabus**

**Course Mode:** Hybrid/Blended and Internet  
Class meets in person on **Tuesdays and Thursdays, 9:00-10:30am in WEL 1.308**. The classroom is designed to accommodate all enrolled students and to allow for social distancing. We will meet throughout the semester in person and (if/when necessary) work online in Canvas and/or meet via Zoom. Recordings of in class lectures will be posted at the “Lectures Online” link in the Canvas course webpage:  
<https://utexas.instructure.com/courses/1282668>

**Instructor:** Dr. Stephanie Houghton  
Email: [shoughton@utexas.edu](mailto:shoughton@utexas.edu) \*I prefer direct email instead of using the Canvas inbox.  
Office Hours: Tuesdays, 12:30-2pm and Wednesdays 8pm-9pm: <https://utexas.zoom.us/j/96872795877>  
or by appointment

**Teaching Assistant:** Alexandra Charbi  
Email: [acharbi@utexas.edu](mailto:acharbi@utexas.edu)  
Office Hours: TBD  
TA Session: TBD

**Course Description and Requirements**

This Master’s-level course is intended to provide a rigorous introduction to the methods of microeconomic theory, including consumer and producer theory, decision-making under uncertainty, markets and competition, and general equilibrium. While the emphasis is on the theoretical foundations, we will consider applications to empirical work by discussing journal articles across various applied micro fields.

**Textbook:** I will most closely follow *Advanced Microeconomic Theory* by Jehle and Reny, but there are a number of other good resources, especially Nicholson and Snyder’s *Microeconomic Theory: Basic Principles and Extensions* and Varian’s *Microeconomic Analysis*. If you need to brush up on your economic intuition, my favorites are Nicholson and Snyder’s *Intermediate* and Varian’s *Intermediate Microeconomics: A Modern Approach*.

**Prerequisites:** ECO 394C Mathematics for Economists or equivalent exposure to multivariate calculus, constrained optimization and linear algebra.

**Course Policies:**

*Grading:*

Homework Assignments	40%	
Midterm Exam	30%	<i>tentatively scheduled for Thursday, Oct. 17.</i>
Final Exam	30%	Wednesday, Dec. 9, 9am-12pm.

I will use plus/minus grade categories when assigning final grades (i.e. A, A-, B+, B, B-,... F). Grades will be curved, meaning that your letter grade will be assigned based on your weighted average course score and your performance relative to the rest of the class. Please do not ask me about extra credit or extra work to improve your grade. None will be given.

*Homework Assignments:*

- There will be 5-7 problem sets and/or journal article summaries assigned throughout the semester. They will be posted on the course website, and the TA will discuss solutions during the Friday sessions.
- Late homework **will not be accepted**. The lowest scoring problem set will be dropped, in order to allow you some flexibility throughout the semester.

*Exams:*

- There will be one midterm and one final exam, each accounting for 30% of your grade. The exams will be primarily in short-answer format and can be completed either in-person during class or online. Students taking the exam online will be able to access the exam during a 24-hour window, but once accessed will have a limited amount of time to complete the exam (90 minutes for midterm, 180 minutes for the final).
- Anything covered in class or in the assigned readings is fair game, but my lectures and the homework assignments will help you identify the material that I consider to be the most important.
- If you know in advance that you have a conflict with one of the exam dates (e.g. due to travel or religious observance) or require accommodations, please see me as soon as possible so that we can work out an alternative.
- No make-up exams will be given without a university-approved and documented excuse. Note that these are reserved for cases of extreme illness or emergency. If you are absent from the exam, you must notify me prior to the exam at [shoughton@utexas.edu](mailto:shoughton@utexas.edu). Where advanced notification is not feasible, **notification must be given by the end of the second day after the absence**. Non-excused absences will result in a zero for that portion of your grade.

## University Disclosures and Policies

### **Statement on Academic Integrity:**

The University of Texas Honor Code states:

*The core values of The University of Texas at Austin are learning, discovery, freedom, leadership, individual opportunity, and responsibility. Each member of the university is expected to uphold these values through integrity, honesty, trust, fairness, and respect toward peers and community.*

Each student in this course is expected to abide by the UT Honor Code and uphold academic integrity. ***What this means for this course:*** You are encouraged to study together and to discuss information and concepts covered in lecture and the recitation sections with other students. You can work together on homework assignments. However, this cooperation should never involve one student having possession of or copying directly from another student's work. Should such copying occur, both students involved will receive zeros for the assignment. During examinations, each student must do his or her own work. Any collaborative behavior or use of unauthorized material during the examinations will result in failure of the exam, and may lead to failure of the course and University disciplinary action.

### **ADA Notice:**

I am committed to creating an accessible and inclusive learning environment consistent with university policy and federal and state law. Please let me know if you experience any barriers to learning so I can work with you to ensure you have equal opportunity to participate fully in this course. If you are a student with a disability, or think you may have a disability, you may request appropriate academic accommodations by contacting Services for Students with Disabilities (SSD) at <http://diversity.utexas.edu/disability/>.

### **Harassment Reporting Requirements:**

Under Texas Senate Bill 212 (SB 212), the professor and TAs for this course are required to report for further investigation any information concerning incidents of sexual harassment, sexual assault, dating violence, and stalking committed by or against a UT student or employee. Federal law and university policy also requires reporting incidents of sex- and gender-based discrimination and sexual misconduct (collectively known as Title IX incidents). This means we cannot keep confidential information about any such incidents that you share with us. If you need to talk with someone who can maintain confidentiality, please contact University Health Services at <https://healthyhorns.utexas.edu/> or the UT Counseling and Mental Health Center at <https://cmhc.utexas.edu/>.

You can also make an appointment with a confidential advocate by emailing [advocate@austin.utexas.edu](mailto:advocate@austin.utexas.edu) or calling (512) 232-2860. We strongly urge you to make use of these services for any needed support and to report any Title IX incidents to the [Title IX Office](#).

## COVID-19 Updates: Fall 2020 Semester

### Safety and Class Participation/Masks:

For every face-to-face class experience, we will all need to make some adjustments in order to benefit from in-person classroom interactions in a safe and healthy manner. Our best protections against spreading COVID-19 on campus are masks (defined as cloth face coverings) and staying home if you are showing symptoms. Therefore, for the benefit of everyone, this means that all students are required to follow two important rules.

- **Every student must wear a cloth face covering properly in class and in all campus buildings at all times.**
- **Every student must engage in documented daily symptom screening.** This means that each class day in which on campus activities occur, students must upload certification from the symptom tracking app and confirm that they completed their symptom screening for that day to Canvas. Students should not upload the results of that screening, just the certificate that they completed it. If the symptom tracking app recommends that the student isolate rather than coming to class, then students must not return to class until cleared by a medical professional.
- Information regarding [safety protocols with and without symptoms](#) can be [found here](#).

If a student is not wearing a cloth face covering properly in the classroom (or any UT building), that student must leave the classroom (and building). If the student refuses to wear a cloth face covering, class will be dismissed for the remainder of the period, and the student will be subject to disciplinary action as set forth in the university's Institutional Rules/General Conduct 11-404(a)(3). Students who have a condition that precludes the wearing of a cloth face covering must follow the procedures for [obtaining an accommodation \(https://orientation.utexas.edu/students-with-disabilities\)](https://orientation.utexas.edu/students-with-disabilities)

### Sharing of Course Materials is Prohibited:

No materials used in this class, including, but not limited to, lecture hand-outs, videos, assessments (quizzes, exams, papers, projects, homework assignments), in-class materials, review sheets, and additional problem sets, may be shared online or with anyone outside of the class (or in future classes) unless you have my explicit, written permission. Unauthorized sharing of materials promotes cheating. It is a violation of the University's Student Honor Code and an act of academic dishonesty. I am well aware of the sites used for sharing materials, and any materials found online that are associated with you, or any suspected unauthorized sharing of materials, will be reported to Student Conduct and Academic Integrity in the Office of the Dean of Students. These reports can result in sanctions, including failure in the course.

### Class Recordings:

Class recordings are reserved only for students in this class for educational purposes and are protected under FERPA. The recordings should not be shared outside the class in any form. Violation of this restriction by a student could lead to Student Misconduct proceedings.

## Course Outline

**Note:** The following is a tentative outline of the topics the course aims to cover, and changes are to be expected. I will update the schedule on the course website (See Modules) with specific readings, handouts, and dates as the class goes on.

<b>Part I: Consumer Theory</b> (8/27/20-10/13/20)	<b>JR Chapter 1-2</b>
Topic 1: Preferences and Utility	1.1, 1.2
Topic 2: Consumer Choice: The Indirect Utility Function/Expenditure Function/Duality	1.3, 1.4
Topic 3: Properties of Demand: Slutsky Equation/Elasticity	1.5
Topic 4: Applications: Intertemporal Choice, Labor Supply, Responses to Gov't Policies	class notes, articles
Topic 5: Uncertainty and Risk Aversion	2.4
Topic 6: Revealed Preference	2.3

**MIDTERM:** Tentatively scheduled for **Thursday, October 15 (in class)**, but this is subject to change as the course proceeds. Announcements will be made in class and on the course website well in advance.

<b>Part II: Producer Theory</b> (10/20/20-11/5/20)	<b>JR Chapter 3</b>
Topic 7: Technology: Returns to Scale/Technical Rate of Substitution	3.1, 3.2
Topic 8: Cost Function and Its Properties	3.3
Topic 9: Profit Maximization/Supply	3.4, 3.5

<b>Part III: Equilibrium Concepts and Welfare</b> (11/10/20-12/3/20*)	
Topic 10: Partial Equilibrium – market structures and welfare measures	JR Chapter 4
Topic 11: General Equilibrium – in exchange and with production	JR Chapter 5

**\*SWITCH TO FULLY ONLINE:** In accordance with UT's Fall 2020 Reopening Plans, in-person instruction will end for this class on Tuesday, November 24. There will be no class on Thursday, November 26 (Thanksgiving), and the following week, classes will be held remotely via Zoom on Tuesday, December 1, and Thursday, December 3.

**FINAL EXAM:** The final exam will be scheduled in coordination with the other Economics MA courses. Tentatively, it will be held **Wednesday, December 9**.