

ECON 600: Policy Consequences of Economic Analysis

Spring 2021, Monday 4:30-7 pm

Instructor: Jane Lincove

jlincove@umbc.edu

Office hours Friday 2-4 pm by appointment. [Sign up here](#)

Virtual office: <https://umbc.webex.com/meet/jlincove>

TA: Catherine Mata Hidalgo

cmatah1@umbc.edu

Office hours Monday 2-4 pm

Virtual office: <https://umbc.webex.com/meet/cmatah1>

All lectures will be livestreamed on BB Collaborate. Exams will be completed at home.

NOTE: ADDITIONAL IMPORTANT SYLLABUS INFORMATION IS PROVIDED IN BB IN THE SYLLABUS FOLDER

Objective

This course provides an analytic framework for policy analysis with a focus on understanding economic markets and mitigating market failures. At the end of the course students will be able to:

- Apply economic theory to policy problems
- Use economic efficiency as one criterion for evaluating government interventions
- Identify sources of market failure and appropriate government interventions
- Identify governance problems that limit government interventions in markets

Textbook

Microeconomics by Pindyck & Rubinfeld (any edition)

Grading

Problem Sets 8 @ 10 pt. each

Weekly homework assignments covering new material. You are encouraged to work together on these assignments. However, each student must hand-in original work. You will not receive credit if your answers are identical to another student's.

Midterm Exams 2 @ 100 pt. each

Two open-book take-home midterms. You may use the textbook and any other sources. Please cite all sources other than the textbook. You will have one week to complete each midterm. You may discuss exam questions with others, but your answers must be unique.

Case Project 80 pt.

One case project to be completed in groups of up to 4 students.

Final Exam 150 pt.

At-home exam covering all course material.

Assignments are due via BB at the beginning of class. NO LATE ASSIGNMENTS WILL BE ACCEPTED. Pass/fail registration is not permitted in this course.

Instructions for Completing Problem Sets:

Problem sets are weekly assignments designed to apply concepts from the textbook and lectures.

You are encouraged to form study groups to work together. The work you turn in should be unique and your own.

Problem set grading is based on effort. You will receive points for any items where you attempt to provide a correct answer.

Problem sets should be submitted via BB as a single pdf that includes responses and graphs. (Graphs and pictures that are embedded in word documents do not work in BB.)

Suggested answers for problem sets are posted on BB at 5 pm on the due date. No late problem sets are accepted.

There are 8 problem sets worth 10-pts each. Your lowest-scoring problem set will not count toward your final course grade.

Instructions for Exams:

Three exams test mastery of the course materials and the ability to apply economic concepts to policy analysis.

Exams are posted on BB one week prior to the due date.

All exams are open-book and you may use textbooks, lectures notes, and other materials.

You may work together on exams, but each exam must be unique, original work.

Exam grading is based on succinct responses and accurate analysis.

Be careful to label all graphs correctly.

Exams should be submitted via BB as a single pdf that includes responses and graphs. (Graphs and pictures that are embedded in word documents do not work in BB.)

Suggested answers for midterm exams are posted on BB after the exam due date.

A practice final exam with suggested answers is available on BB.

Course Schedule

Date	Topic	Assignments
Feb 1	Prices & Markets	P & R Chapter 1-2
Feb 8	Demand Theory	P & R Chapter 3-4 Due: Problem Set #1
Feb 15	Theories of Production	P & R Chapter 6-7 Due: Problem Set #2
Feb 22	Competitive Market Supply	P& R Chapter 8 Due: Midterm #1
Mar 1	Competitive Equilibrium	P & R Chapter 9 Due: Problem Set #3
Mar 8	Non-Competitive Markets	P & R Chapter 10-12 Due: Problem Set #4
Mar 15	Spring Break – No class	
Mar 22	Efficiency and Trade	P & R Chapter 16 Due: Problem Set #5
Mar 29	Equity & Endowments	Weimer & Vining, Chapter 7 (available on BB) Due: Midterm #2
Apr 5	Public Goods	P & R Chapter 18
Apr 12	Externalities	Read: P & R Chapter 18 Due: Problem Set #6
Apr 19	Uncertainty & Risk	Read: P & R Chapter 5 Due: Problem Set #7
Apr 26	Asymmetric Information	Read: P & R Chapter 17
May 3	Case Project Workshop Final Exam Available on BB	Problem Set #8 due
May 10	Final exam due by 7 pm	
May 17	Case project due by 7 pm	