

**Elements of Economic Analysis I**  
**ECON 20000-01 and ECON 20000-02**  
**2024 Fall**

**Lectures:** Lectures take place on Tuesdays and Thursdays, between 9:30am and 10:50am (section 01) and 11:00am and 12:20pm (section 02) in Stuart Hall 102. Lectures are taught in person. You are expected to attend. Please attend the lecture for the section you enrolled in.

**Office hours:** Monday 1:30-3:00 (in person, Saieh Hall 428), Thursdays 2:30-4:00 (in person, Saieh Hall 428), or by appointment ([fulya@uchicago.edu](mailto:fulya@uchicago.edu)).

**TA:** Camellia Ye, [cjye@uchicago.edu](mailto:cjye@uchicago.edu)

- Discussion sessions: Discussion sessions will cover the answers to the problem set questions and one additional practice question. You are expected to participate. Discussion sections will take place on Wednesdays 6:30pm-7:20pm (section 01) and Mondays 5:30pm-6:20pm (section 02) in Rosenwald Hall 011.
- Office hours: Your TA will hold two hours of office hours on Fridays 1:00pm-3:00pm. These office hours will be in person. The location of each office hour will be announced in Canvas prior to the office hour.

**Grader:** Faye Dai, [xianer@uchicago.edu](mailto:xianer@uchicago.edu)

**Course Description:** In this course, we will develop 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. We will learn tools for analyzing how these optimal choices change when relative prices and consumer incomes change. We will learn about several measures of consumer welfare. We will apply the theory of consumer choice to a variety of situations, including choice over time, labor supply, and choice under uncertainty.

**Prerequisites:** This class requires one of the following math prerequisites:  
completion of MATH 13300/15200 with at least concurrent enrollment with MATH 15250,  
completion of MATH 15250,  
concurrent enrollment with MATH 16300 (with an A/A- in MATH 16100 and MATH 16200),  
completion of MATH 16300,  
completion of MATH 18300 with at least concurrent enrollment in MATH 18400,  
enrollment in MATH 15910 or MATH 20250 (or higher)

First-year students must meet the above prerequisites and either complete ECON 10000 or pass the Econ Placement Exam. Incoming transfer students are an exception to the first-year rule.

**Textbooks:**

[Intermediate Microeconomics with Calculus, Hal R. Varian.](#) (Any edition)

Lima, Victor, *Lecture Notes* (available for viewing via Canvas, available for purchase from the Social Sciences Research Building Basement level 001).

### Discussion Board Usage:

We will use **Ed discussion board** which you can reach through canvas. Please post all your course related questions on the discussion board.

### Assessments

**Problem sets (20% of your course grade):** There will be seven problems sets. The lowest scored problem set, including any zeroes from no-submission, will be dropped from the grade calculation. Problem sets can be downloaded from Canvas/Gradescope. The problem sets are due **Mondays 5:00pm**. You should upload them to Gradescope. A “how-to-submit” video and guide for are available: [https://www.gradescope.com/get\\_started#student-submission](https://www.gradescope.com/get_started#student-submission). You are encouraged to work in groups (at most 3), but you must submit individual answers. If you work with a group, indicate the names of other group members. I expect answers to be similar but not identical.

Note: Problem sets are supposed to be a *learning task* rather than an evaluation task. Therefore, problem set grades are mostly effort based. Consequently, *it is easy to get high (but imperfect) problem set grades, but such grades are a poor indicator regarding your expected performance in the exams*. To evaluate and improve your expected exam performance, it is important to examine the comments you receive on your answers from the grader and attend discussion sessions to work through the problem set solutions.

*Policy on Missed Problem Sets:* Since the solutions are provided during discussion sections and prompt grading of the problem sets has utmost importance, late problem sets will NOT be accepted. If there are exceptional circumstances that severely affect your ability to complete the problem set in a timely manner, please let me know immediately. Please copy your academic advisor in all communications.

Don't wait until the last minute to upload your problem sets to Gradescope as you might encounter some technical difficulties. Technical difficulties do not count as exceptional circumstances. Examples of technical difficulties include but are not limited to: being unable to reduce the file size sufficiently, not knowing how to submit assignments, forgetting to upload a file, internet going down, etc. The teaching team cannot help you with technical difficulties, but canvas and Gradescope has help teams, contact them immediately. The following circumstances will automatically result in a zero score (no exceptions):

- You do not turn in the assignment through Gradescope. If you email it to the TA or me, it is NOT considered submitted.
- Uploaded files that will not open or cannot be read due to poor quality.
- You submit the wrong file and the deadline for problem submission passed. You can re-upload and change your answers until the assignment deadline. We will grade the final version you submitted before the deadline.

**Midterm Exam (35% of your course grade):** Midterm exam will cover the material until and including Comparative Statics of Consumer Demand. Midterm exam will take place during **Thursday class time on Week 6.**

Policy on Missed Midterms: If you will need to miss the midterm exam due to a medical reason or university-sanctioned event, you need to communicate with the instructor **before** the exam.

**Final Exam (45% of your course grade):** Final exam will be cumulative. The date/time and location of the final exam is determined by the Registrar's office and will be announced later.

**Course Grades:** Your grades will be assigned based on the scheme below. I reserve the right to adjust the cutoffs.

Letter Grade	Number Grade		
A	93-100	C+	75-79.99
A-	90-92.99	C	70-74.99
B+	87-89.99	C-	65-69.99
B	83-86.99	D	55-64.99
B-	80-82.99	F	0-54.99

### **Pass/Fail Grading and Withdrawal**

Pass/Fail Grading: You have until before the start of your final exam to exercise the options to take the course as Pass/Fail qualitative grade, using the form on the final exam cover sheet or email the instructor in advance. Once your final exam has started, this option expires.

*Caution:* "Pass" is a non-quality grade, which does not count towards the economics major. Before choosing the Pass/Fail grading option, I strongly encourage you to discuss with me, the Economics Undergraduate Student Affairs Administrator, and your College Adviser.

Course Withdrawal: You may request for Withdrawal with W recorded on your transcript by speaking to your academic advisor and finishing the requests with the Registrar before 5:00pm on the Monday of the 9th Week of the quarter. Per College regulations, you cannot request for Withdrawal by emailing the instructor.

Incomplete Request: Should extenuating circumstance or emergency warrants and in consultation with your College Adviser, you may request for Incomplete to fulfill the requirements at the latter date according to the agreement as noted on the Incomplete form. Per College regulations, to be eligible for Incomplete request, you must have (1) regularly attended the classes, and (2) completed significant (50% or more) portion of the assignments and evaluations items at the passing quality.

**Accessibility and Accommodations:** The University of Chicago is committed to ensuring equitable access to our academic programs and services. Students with disabilities who have been approved for the use of academic accommodations by Student Disability Services (SDS) and need a reasonable accommodation(s) to participate fully in this course should follow the procedures established by SDS for using accommodations. *Timely* notifications are required to ensure that your accommodations can be implemented. To contact SDS: call 773-702-6000, email [disabilities@uchicago.edu](mailto:disabilities@uchicago.edu), or visit <https://disabilities.uchicago.edu/>.

**Technology Use in the Classroom:** You are allowed to use a laptop or tablet to take notes in this class. Since we will draw a lot of graphs a tablet or paper/notebook is more suitable than a laptop.

**Policy on Religious Accommodation:** Students must inform their instructors **in writing** of their need to observe a religious holiday reasonably well in advance of the absence, preferably at the beginning of the quarter. See <https://studentmanual.uchicago.edu/university-policies/policy-on-religious-accommodation-for-missed-classes-assignments-and-exams/> for the university policy on religious accommodation.

**AI tools:** In this course, we will be developing skills and knowledge that are important to discover and practice on your own. Because use of AI tools inhibits development of these skills and knowledge, students are not allowed to use any AI tools, such as ChatGPT or Dall- E 2, in this course. Students are expected to present work that is their own without assistance from others, including automated tools. If you are unclear if something is an AI tool, please check with your instructor. Using AI tools for any purposes in this course will violate the University's academic integrity policy.

**Academic Integrity and Honesty Statement:** As a University of Chicago student, you have agreed to abide by the University's academic honesty policy. All academic work must meet the standards described in Academic Integrity & Student Conduct found at: <https://college.uchicago.edu/advising/academic-integrity-student-conduct>, as well as in the Student Manual of University Policies & Regulations.

You must complete all the work using materials or resources explicitly allowed. Work from others, if used, or others' contribution to the work must be properly cited or referred according to the University standard. You are hereby cautioned that any plagiarism and cheating incidents of any evaluation will be reported to the College. The use of answers of current peers and/or solutions from previous quarters, partially or wholly, and usage of AI tools to complete the problem sets is considered a plagiarism as you have not completed the work by yourself.

**Title IX Statement:** Faculty members, instructors, and TAs are designated as "Individuals with Title IX Reporting Responsibilities," which are required to report all incidents of sexual misconduct (including sexual harassment), dating violence, domestic violence, and stalking to the Title IX Coordinator for the University. For more information, see <https://harassmentpolicy.uchicago.edu/>.

**Statement of Diversity and Inclusion:** The University of Chicago is committed to diversity and rigorous inquiry that arises from multiple perspectives. I concur with this commitment and also believe that we have the highest quality interactions and can creatively solve more problems when we recognize and share our diversity. I thus expect to maintain a productive learning environment based on open communication, mutual respect, and non-discrimination. I view the diversity that students bring to this class as a resource, strength, and benefit. It is my intent to present materials and activities that are respectful of diversity: gender, sexuality, disability, generational status, socioeconomic status, ethnicity, race, religious background, and immigration status. Please correct me on your preferred names or gender pronouns.

**Advice from Previous Students\***

*\*based on 35 students' responses to the end of the class survey*

**1. Preparation for Class**

- "Make sure to read Lima's notes prior to class."
- "Read the textbook before class."
- "Read Varian and Lima in depth."
- "Read the Varian textbook before lectures."
- "Week 4 comes fast, read Varian before every lecture."
- "Do the readings before class."
- "Make sure you do the reading for each class and not just for the midterm."
- "Lima's reading is very helpful for understanding lecture concepts"
- "Use Lima as a resource for HW and Lectures."
- "The Lima notes are a very good guide."
- "Use Lima instead of Varian where possible."
- "Read Varian!"
- "Read the Varian book."

**2. Study Habits**

- "Do the exercises distributed each class right after the class, or at least before doing homework."
- "Do as many of the practice problems as possible."
- "Do practice problems after every class."
- "Do the practice problems the Professor gives after every class because they are very helpful for understanding the concepts and doing the psets."
- "Review all lectures and notes, even if reading the textbook."
- "Go over your notes to understand material because it's very cumulative."
- "Start studying early and develop good conceptual understanding."
- "This goes for any course but cram early and use the lectures as review."
- "Nothing can substitute going to class."
- "Make sure you don't get behind in the readings."
- "Review all lectures and notes."

**3. Use of Resources and Time Management**

- "Go to office hours, the TAs are very helpful for problem sets and clarifying concepts."
- "Office hours are extremely helpful."
- "Start the problem sets early and go to office hours."
- "Work together in a study group for p-sets."

**Additional Campus Resources:** Campus resources available to support you and ensure your successful learning experience.

- If you have any concerns regarding physical or mental health, please speak with the Student Health Service (773-702-4156 or <https://wellness.uchicago.edu/>) or Student Counseling Service (773-702-9800) right away.
- If you have emergency concerns related to referrals, advice, information, and support, please speak with the 24/7 Dean-on-Call (773-834-HELP) right away.
- The College Core Tutor Program is available in Harper Memorial Library. The tutors are experienced and select undergraduate students who can also provide guidance outside of classroom. See <http://core-tutors.uchicago.edu/> for more information.
- Should you have any questions regarding curricular planning of economics major, please speak with me during the Drop-In Advising Hours, or the Undergraduate Student Affairs Administrator, Julie Wong at [juliew@uchicago.edu](mailto:juliew@uchicago.edu).
- Along with members of the Undergraduate team, I offer Drop-In Advising Hours to answer any questions regarding your research interests or career choices

**Tentative Schedule (Subject to Change)**

Weeks	Topics	Chapters	Assignments
Week 1 (10/1 and 10/3)	Introduction, Math Review, Budget Sets	Varian 2 Lima 3	
Week 2 (10/8 and 10/10)	Preferences and Utility	Varian 3,4 Lima 4	Problem Set 1 due 10/7
Week 3 (10/15 and 10/17)	Utility Maximization and Expenditure Minimization	Varian 5 Lima 5, 6	Problem Set 2 due 10/14
Week 4 (10/22 and 10/24)	Duality, Comparative Statics of Consumer Demand	Varian 6, 8 Lima 7, 8	Problem Set 3 due 10/21
Week 5 (10/29 and 10/31)	Comparative Statics of Consumer Demand (cont.), Consumer Welfare	Varian 14 Lima 9	Problem Set 4 due 10/28
Week 6 (11/5 and 11/7)	Consumer Welfare (cont.) and Midterm Exam		
Week 7 (11/12 and 11/14)	General Equilibrium	Varian 9, 32 Lima 10, 28	Problem Set 5 due 11/11
Week 8 (11/19 and 11/21)	Labor Supply	Varian 9 Lima 11	Problem Set 6 due 11/18
Week 9 (11/26 and 11/28)	No Classes-Thanksgiving		
Week 10 (12/3 and 12/5)	Intertemporal Choice and Uncertainty	Varian 10 and 12 Lima 12, 13, 14	Problem Set 7 due 12/2
Week 11 (12/10 to 12/14)	Final Exam (TBA)		

Note: All problem sets are due Monday 5pm.