

## Ford School of Public Policy 555: Microeconomics A

Fall 2012

Information about Micro A (Public Policy 555) for Incoming Ford Masters Students

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This document provides answers to some common questions about Micro A (Public Policy 555) for incoming Ford MPP and MPA students. Please see my website for more detailed information about the course: <http://www-personal.umich.edu/~kstange/pubpol555.html>

1. **What is the required background? Do I need to have taken economics?** The course does not assume any particular background since Ford Masters students have a wide range of academic and professional backgrounds. Some have studied economics previously and many others have not.
2. **What math will be used?** We will be using algebra (solving for unknowns and graphing lines/curves) and calculus (differentiation). We will teach you all the calculus you need to know, but some comfort with basic algebra would be helpful.
3. **What is covered in the class?** This course introduces the application of basic microeconomic analysis to public policy issues. The principal goal is to teach students the process of microeconomic reasoning and how to apply that reasoning to policy issues in the real world. The course covers the basic topics in microeconomic theory: consumer theory, production theory, competitive and non-competitive (e.g. monopolistic) markets, surplus, welfare analysis, and some game theory. See the attached syllabus from 2011. The content for 2012 will be very similar.
4. **How similar is this to the economics I took as an undergrad?** The material covered is comparable to that covered in many semester-long undergraduate intermediate microeconomics courses. Introductory or “Principles” economics courses, macroeconomic courses, and most topical courses that do not require intermediate as a pre-requisite (e.g. “The economics of urban poverty” or “The economics of crime”) are generally not a substitute for Micro A. In addition, if your microeconomics course did not use calculus (e.g. calculating a marginal rate of substitution), then it also will not be a good substitute for Micro A. Another difference from the typical undergrad microeconomic course will be the increased focus on specific public policies and policy issues.
5. **How do I waive out of Micro A?** Students that have previously taken comparable intermediate microeconomics can waive out of Micro A by taking the waiver exam that is offered during orientation week.
6. **Should I waive out of the course?** If you have successfully completed course that covers this material, we strongly urge you to take the waiver exam. Waiving out of Micro A will free you to take an additional elective during your first year.

7. **What do I need to know for the waiver exam?** The waiver exam will cover several of the major topics of the course. See the attached waiver exam from 2011 as an indicator of the breadth and type of questions that will be covered on the 2012 exam.
8. **What if I am rusty? How can I prepare for the waiver exam?** There will be a review session during the orientation (prior to the waiver exam), but you should also review your notes and assignments from when you took the class. Use the 2011 waiver exam as a guide to the types of questions you should be able to answer. I have also posted on my website (<http://www-personal.umich.edu/~kstange/pubpol555.html>) the three exams (and solutions) from 2011 to provide you with more sample problems. We will be using *Microeconomics* by Pindyck and Rubinfeld (7<sup>th</sup> edition, including math appendices), so you may also want to review the relevant chapters from this (or a similar) textbook.