

Economics 1A – Elements of Microeconomics Fall 2002

Lecture A: TuTh 3:30pm - 4:50pm Warren Lecture Hall, Room 2001

Lecture B: TuTh 2:00pm - 3:20pm Warren Lecture Hall, Room 2001

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Class Web Page <http://weber.ucsd.edu/~kantonov/ec01af02/home.html>

COURSE DESCRIPTION: This course is designed to introduce you to the basic foundations of microeconomic analysis. The course will begin by giving a brief overview of the fundamental problems of production and distribution that any economic system is designed to address. We will then discuss supply, demand and market equilibrium. After having done this, we will examine how individuals and firms behave under perfect competition. We will also discuss what happens when perfect competition breaks down (i.e. monopoly and duopoly) and the conditions under which perfect competition may not lead to an efficient allocation of resources.

PREREQUISITES: None.

TEXT: Microeconomics, Sixth Edition, by Michael Parkin, available in the bookstore and on reserve.

EXAMS: There will be two midterms and a cumulative final. Dates are **not** negotiable and you **MUST** take your final exam during the time specified for your lecture. For example, if you are registered for Lecture A, you cannot take the final during the time for Lecture B. If you miss a midterm for a verifiable medical/legal/sports reason, your midterm grade will be your grade on the final. Otherwise you will receive a zero, no exceptions!!

Midterm 1: Thursday, October 17th, in class

Midterm 2: Tuesday, November 12th, in class

Final (Lecture A): Friday, December 13th, 3-6:00pm

Final (Lecture B): Tuesday, December 10th, 3-6:00pm

HOMEWORK: There will be (almost) weekly homework assignments posted on the class web page. I will announce in class when each assignment is posted and when it is due. Homework is to be handed in at the *beginning* of class. If you need to hand an assignment early because you cannot be in class on the day the homework is due, then please make arrangements with your TA. Homework will be returned in section the week after it is due.

Each homework assignment must have the following information:

1. Your name
2. Your Student ID Number
3. Your Section ID Number
4. Your TA's name

Each homework assignment is worth 2 points and the grading is as follows: 2 points if all of the problems have been attempted AND you show your work, 1 point if only some of the problems have been attempted OR if you don't show all your work, and 0 points if the assignment is not handed in or is late. Note that your homework grade does not depend on whether you get the correct answer, but rather on whether you have made a good faith effort to complete the assignment. Correct answers are important, but the goal of these homework assignments is to give you practice at solving the types of problems that you will see on exams. The lowest homework grade will be dropped. This is to allow some flexibility for students who are sick or who have other critical conflicts. Answers will be posted on the web shortly after the assignment is due.

GRADES: Homework (20%), Midterm 1 (20%), Midterm 2 (20%), Final (40%)

TIPS TO DOING WELL ON EXAMS: The best way to do well on the exams is to complete the weekly homework assignments. It is easy to lull yourself into thinking you understand the material better than you do. Completing the homework is a good reality check.

Topics to Be Covered (Subject to Change)	Chapter
The Economic Problem	2
Demand and Supply	3
Elasticity	4
Efficiency and Equity	5
Price Ceilings, Price Floors & Taxes	6
Possibilities, Preferences, Choices	8
Output and Costs	10
Perfect Competition	11
Monopoly	12
Monopolistic Competition and Oligopoly	13
Market Failure and Public Goods	16 (p. 372-373)
Market Failure and Externalities	18