

## **Economics 2 - Market Imperfections Fall 2007**

Tue, Thu 2:00 - 3:20 pm, Center Hall 119

### **Instructor:**

Maria Teresa Cândido

Office: 110A Economics

Office Phone #: 534-2518

Office Hours: Tue, Thu 11:00 am - 12:00 pm, 3:45 pm – 4:45 pm

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### **Teaching Assistants**

Charles Lin

[chl083@ucsd.edu](mailto:chl083@ucsd.edu)

Discussion Section: Tue 6:00 - 6:50 pm (Cognitive Science Building 004)

Office Hours: Wed 12:00 – 1:30 pm (Economics 124)

Adam Patalano

[apatalano@ucsd.edu](mailto:apatalano@ucsd.edu)

Discussion Section: Tue 5:00 - 5:50 pm (Cognitive Science Building 004)

Office Hours: Mon 2:00 – 3:30 pm (Sequoyah Hall 139)

Gina Russell

[grussell@ucsd.edu](mailto:grussell@ucsd.edu)

Discussion Section: Tue 4:00 - 4:50 pm (York Hall 4080A)

Office Hours: Mon, Wed 3:00 - 4:00 pm (Sequoyah Hall 237)

### **Course Description**

This course applies basic economic principles and simple analytical tools to the study of public policy issues and current events. After reviewing how things work on an idealized, perfectly competitive economy, the course looks at the effects of firms and people interacting in imperfect markets. Issues such as monopoly power, oligopoly and monopolistic competition, the presence of externalities, public goods, and imperfect information are analyzed. Simple economic principles are applied to the study of factor markets and income disparity, and we explore issues related to international trade.

### **Required Course Materials**

Textbook: “*Microeconomics*”, by Parkin, Michael (2008), 8<sup>th</sup> edition, Pearson Education, Inc.

Chapters: 5 (review), 12, 13, 15, 16, 17, 18, 19 and 20.

Aplia Website : During this course, to complete your homework assignments, you will be required to access a website called Aplia. To access the website, you need to register for an account with Aplia at <http://www.aplia.com>. You should do this as soon as possible, as homework will soon be due. If you think you might drop the course, go ahead and register with Aplia anyway, since there is a 21-day grace period before you have to pay. In the last page of this syllabus, you will find an instruction sheet as well as a course key so that you can register with Aplia.

We will use the Aplia website as our course webpage. The course webpage will contain information relevant to the course, such as homework assignments, detailed information on assignment due dates, extra practice problem sets, announcements, solutions to problem sets and exams, syllabus, and more. Please check this page regularly.

### **My Expectations**

1. It is important to come to every lecture. If you should miss a class, it is your responsibility to get the notes and any information provided in class. There are weekly discussion sections for this course. They are not mandatory. However, you should attend them since the TAs will go over practice problems, the kind of problems you may encounter on exams. Moreover, attendance to discussion sections will make you eligible for an optional extra credit assignment. In particular, missing more than one discussion section will disqualify you for the extra credit assignment.

- You are expected to keep up with the required reading on your own.
- Complete all your homework assignments. Remember, homework is assigned to assist you in studying, and a way for you to check if you are understanding the material.

### Grading

20% Homework Assignments  
 20% First Midterm Exam  
 20% Second Midterm Exam  
 40% Final Exam

All homework assignments are worth the same, regardless of the number of questions in them. The normalized score for each assignment is the percentage of correct answers. The homework grade is computed by taking an average of the (normalized) scores of assignments, after dropping the **three** lowest scores.

The first midterm exam is scheduled to **Tuesday, Oct 23<sup>rd</sup>**, at lecture time. The second midterm is scheduled to **Thursday, Nov 15<sup>th</sup>**, also at lecture time. The final exam will take place on **Thursday, December 13<sup>th</sup>** from 3:00 pm to 6:00 pm and will be cumulative. The dates for the exams are not negotiable. There are no make up exams. If you miss a midterm for a justifiable and verifiable medical/legal reason, your midterm grade will be your grade on the final. **Otherwise you will receive a zero, no exceptions!!**

### Add/Drop Policy

The instructor will not sign add cards. For any question regarding waitlist procedures, please go to the Economics Student Services in Sequoyah Hall room 245 (8:00 am – 12 pm and 1:00 pm to 4:30 pm).

### Tentative Schedule (exams dates will not change)

Date	Number of Lectures	Topic	Textbook Chapters
Sept 27 <sup>th</sup>	1	Class Introduction Efficiency and Equity	5
Oct 2 <sup>nd</sup> – Oct 4 <sup>th</sup>	2	Monopoly	12
Oct 9 <sup>th</sup> – Oct 16 <sup>th</sup>	3	Monopolistic Competition and Oligopoly	13
Oct 18 <sup>th</sup>	1	Externalities	15
<b>Oct 23<sup>rd</sup></b>	1	<b>First Midterm</b>	
Oct 25 <sup>th</sup>	0.5	Externalities	15
Oct 25 <sup>th</sup> – Nov 1 <sup>st</sup>	2	Public Goods and Common Resources	16
Nov 1 <sup>st</sup> – Nov 8 <sup>th</sup>	2.5	Markets for Factors of Production	17
Nov 13 <sup>th</sup>	1	Economic Inequality	18
<b>Nov 15<sup>th</sup></b>	1	<b>Second Midterm</b>	-
Nov 20 <sup>th</sup>	0.5	Economic Inequality	18
Nov 20 <sup>th</sup> – Nov 29 <sup>th</sup>	2	Uncertainty and Information	19
Nov 29 <sup>th</sup> – Dec 6 <sup>th</sup>	2.5	Trading with the World	20
<b>Dec 13<sup>th</sup> 3:00 pm - 6:00 pm</b>	-	<b>Final Exam</b>	-



## Student Registration and Payment Instructions

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**Course Name:** Econ 2 TuTh 2:00pm, Fall 2007

**Start Date:** 09/27/2007

**Professor:** Maria Teresa Candido

**Course Key:** CWXV-4ZBM-46LX

**You can begin working on your homework as soon as you register!**

- In this course, you will use a textbook and Aplia's website.
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### Registration

#### Registration Instructions

1. Connect to <http://www.aplia.com>.
2. Click the **System Configuration Test** link below the **Sign In** and **Register** sections to make sure you can access all of the features on Aplia's website. This takes just a few seconds and tells you how to update your browser settings if necessary.
3. Return to <http://www.aplia.com>.
  - If you have never used Aplia before, click the **New Student** button and enter your Course Key: **CWXV-4ZBM-46LX**. Continue following the instructions to complete your registration.
  - If you have used Aplia before, sign in with your usual e-mail address and password and enter your Course Key when prompted: **CWXV-4ZBM-46LX**. If you are not prompted for a new Course Key, click the **Enter Course Key** button to enroll in a new Aplia course. Enter your Course Key when you are prompted.
4. If you understand your payment options, pay now. Otherwise, postpone your purchase decision by choosing the option to pay later. Your payment grace period ends at the end of the day on 10/17/2007.

### Payment

#### Pay Aplia Directly

- Purchase access to your course directly from Aplia on our website for \$35.00 USD.
  - The website includes content that has been customized for your textbook and course.