

**University of California, San Diego**  
**Department of Economics**  
**Fall 2008**

**Economics 2: Market Imperfections and Policy**

Instructor: Dr. Radu Munteanu  
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Office Hours: Friday 1-2 PM  
Office: Economics Bld. #111  
Lectures: MWF 3:00-3:50 PM at SOLIS 104

**Text/Readings**

Required Text: Parkin, Michael: "Microeconomics", 8th edition, Pearson Education.

**Course Description**

This course is the continuation of Econ 1. We will start from where that course finished. After a brief review of Econ 1, we will discuss topics on imperfect competition (monopoly and oligopoly), economics of information, public economics, environmental economics, labor and health economics, and international economics.

**Grading**

Midterm 1: 25%, Midterm 2: 25% and Final: 50%

**Midterm 1** is on **Wed, Oct 22nd** in class (**Ch 5-6, 12,13,14**); **Midterm 2** is on **Wed, Nov 19<sup>th</sup> (Ch 15,16,17)** . Please refer to Tritonlink for the date, time and location of the final exam.

**Homework**

Homework will be assigned every week, but not collected. Solutions for each problem set will be provided at the course's web site. It is very important that you work on the problem sets and understand them, since they are the best preparation for the exams.

**Teaching Assistants**

<b>Name</b>	<b>Email</b>	<b>Location</b>	<b>Office Hours</b>
Kwong, Jim	<a href="mailto:jikwong@ucsd.edu">jikwong@ucsd.edu</a>	SH 139	F 11-12pm
Lau, Chim	<a href="mailto:chimlau@ucsd.edu">chimlau@ucsd.edu</a>	ECON 122	Th 2-3pm
Morris, Stephen	<a href="mailto:sdmorris@ucsd.edu">sdmorris@ucsd.edu</a>	SH 236	W 2-3pm

**Administrative Issues:**

1. If you have a documented disability, please bring your documentation and come to talk to me as soon as possible so that I can make suitable accommodations for you.
2. Any student found guilty of academic dishonesty will earn a failing grade for the course. In addition to this academic sanction that I will impose, the Council of Deans of Student Affairs will also impose a disciplinary penalty. For a review of UCSD policy, please see

<http://www-senate.ucsd.edu/manual/appendices/app2.htm>.

3. If you arrive late to an exam, I will allow you to take the exam in the time that remains as long as no one has turned in his/her exam and left the room. If a classmate has already turned in his/her exam and you arrive late, you will earn a zero on the test.

4. **There will be absolutely no makeup exams.** If you have to miss a midterm **for a medical or other University approved reason**, the weight will be allocated to the final exam. In that case, you will need to provide proof of your situation. The weights will not be reallocated for any other reason.

5. All students must take the final exam at the scheduled date and time, so if you have any conflicts with other exams you are advised not to take this course (or the other courses that this course's exam conflicts with).

6. UCSD now has automated waitlists. If you have any questions regarding adding the class, please refer to Triton Link or contact the undergraduate advisors in Sequoyah Hall 245.

### **Sections**

There will be weekly discussion sections for the class. The TA will go over the HW in detail in sections, so it is very important that you attend. Please refer to Tritonlink for time and location.

## **COURSE OUTLINE**

### **Part I. Review**

(a) Chapter 5-6: Review Efficiency and Equity (review from Econ 1)

### **Part II. Market Imperfections**

- (a) Chapter 12: Monopoly
- (b) Chapter 13: Monopolistic Competition and Oligopoly
- (c) Chapter 13: Economics of Information

### **Part III. Market Failure and Government**

- (a) Chapter 14: Regulation and Antitrust Law
- (b) Chapter 15: Externalities
- (c) Chapter 15: Externalities and Property Rights
- (d) Chapter 16: Public Goods and Common Resources

### **Part IV. Factor Market, Inequality, and Uncertainty**

- (a) Chapter 17: Markets for Factors of Production
- (b) Chapter 18: Economics of Inequality
- (c) Chapter 19: Uncertainty and Information

### **Part V. The Global Economy**

- (a) Chapter 20: Trading with the World