

ECONOMICS 100A: Microeconomics A

Summer I 2019

Lectures: MTuWTh 9:30 – 10:50am in Peter 104

Discussions: F 9:00 – 10:50am in Peter 104

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Office Hours: Mondays 12:30 – 1:30 pm and Wednesdays 11:00 am – noon

Econ 108

Webpage: <https://triton.ucsd.edu>

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Office hours: TBA

This course is the first of three courses in microeconomics. We will learn how to set up, solve and analyze optimization models and apply these mathematical models to the theory of the consumer. Applications include commodity demand, labor supply and consumption/savings decisions. Finally we will examine the fundamentals of decision making under risk and uncertainty.

Prerequisites: ECON 1 or ECON 1A; and MATH 10C or MATH 20C.

Lectures and Discussion Sessions

You are responsible for all the material in the lectures and problem sets. Partial notes will be available on the class webpage before each lecture. I recommend that you print these out beforehand and fill in the missing information. I'll do my best to avoid typos but you're responsible for the correct material. I want you to understand the material instead of simply memorizing it. If you miss a lecture, borrow someone's notes. Discussion Sessions are optional but recommended.

Problem Sets:

Problem sets will be available online. We will go over these questions in office hours and in the discussion sessions. Your best practice for the exams is to try these questions yourself first.

Exams:

Your grade will be determined on the basis of a Midterm Exam (40% or 30% of your grade) and a Final Exam (60% or 70%). The weights will be chosen so that you receive the highest grade. If you miss the midterm for a documented, university approved reason (ie., illness, official university trip) the weight for that exam will be placed on the final. If you miss the midterm for another reason (ie., oversleep) you will receive a zero for that exam. No one will be allowed to start an exam after the first person leaves.

The midterm will be held in class on Thursday, July 18th. The final exam will be held on Saturday, August 3rd from 8:00 – 11:00 am. If you know in advance that you cannot make an exam, please let me know as soon as possible.

You are only permitted to use pens and pencils, a straight edge and a **single** note sheet during the exams. Calculators are **not** allowed. The note sheet can be any size up to 8.5" by 11". It may **only** have handwritten notes on both sides. Computer printed, typed or mechanically reproduced notes are **not** permitted. Do **not** attach anything to your note sheet.

If seats are assigned for exams, anyone not sitting in his or her assigned seat will lose points (potentially to zero) for that exam. If there is a problem with your assigned seat please let us know so we can reassign you.

Academic dishonesty:

I take academic dishonesty seriously. Any student found guilty of academic dishonesty will most likely earn a failing grade for the course. In addition to this sanction, 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>.

Regrade requests:

Regrade requests may be submitted via Gradescope during the weeklong regrade period. The regrade period will probably begin a day or two after the exam results are made available to the class. Please do not contact the instructor or any of the TAs regarding the grading of an exam or the grading for the course before the regrade period begins. If your TA agrees with your request, your score for that question will be corrected. If your TA disagrees with your request, you will lose 1 point for each midterm question and 3 points for each final exam question.

Text and additional resources:

Varian (2014), *Intermediate Microeconomics with Calculus*, Norton (first edition). There is a custom UCSD version available at the bookstore. We use this book in Econ 100ABC. I will give references for this text. The material for this course is fairly standard; other Microeconomic Theory books are probably fine. There is a free textbook you can access online, McAfee and Lewis, *Introduction to Economic Analysis*, <http://www.introecon.com/>. I have not looked through this text carefully but have read that its level is in between Econ 1 and Econ 100A.

Machina, Mark (2010), *Math Handout*.

Microeconomics Video Handbook (MVH). The MVH is over 220 videos created by UCSD faculty on the 100ABC material. A link to the MVH is on TritonEd.

Preliminary Course Outline:

<u>Topic</u>	<u>Text</u>	<u>Math Handout</u>	<u>Video</u>
Introduction/Math Review	Ch. 1	Sections A, B, C	B1 – 3
Consumer Preferences:			
Axioms of Rational Choice	Ch. 3.1, 3.2, 3.5		C1a – C1j
Utility Functions	Ch. 4 intro, 4.1, 4.2		
Indifference Curves	Ch. 3.3		A2
Marginal Rate of Substitution	Ch. 3.6		
Common Utility Functions	Ch. 3.4, 4.3		C1k
Budget Constraints	Ch. 2		C2a
Optimization Review	Appendix 9, 10	Sections D, E	A3-A4
Utility Maximization & Demand	Ch. 5		C2
Comparative Statics of Demand:			
Income Changes	Ch. 6.1, 6.2, 6.3		C3
Price Changes	Ch. 6.4, 6.5, 6.6, 6.7, 6.8		C4
Compensated Price Changes	Ch. 8.1, 8.2, 8.3		C5
Slutsky Equation	Ch. 8.4, 8.5		C5
Demand Relationships	Ch. 8.6, 8.7, 8.8, 8.9		C6
Elasticity			
Consumer Surplus	Ch. 14		C7
Supply of Labor	Ch. 9		C8
Supply of Saving	Ch. 10		C9
Risk & Uncertainty	Ch. 12		C10

This outline is preliminary. It is subject to change.