ECONOMICS 100A: MICROECONOMICS

Fall, 2016   **Antonio Jimenez**, anj042@ucsd.edu

Tu & Thu, 6:30–7:50pm   **Office Hours: Tu, 2:00–4:00pm in ECON 229**

TAs:	Session Place Time	Office Office Hours (starting on week # 2)
Runjing Lu (Grad.) rule053@ucsd.edu	CENTR 212 Mo, 6:00–6:50pm	PSET, ECON 200 & before exams: SH 227 Mo & Wed, 7:00–8:00pm
Daniel Leff Yaffe (Grad.) dleffyaf@ucsdl.edu	CENTR 212 Mo, 7:00–7:50pm	PSET, ECON 200 & before exams: ECON 125 Mo, 5:30–6:40pm Thu, 5:30–6:20pm
Daniel Acevski (Grad.) dacevski@ucsd.edu	CENTR 212 Mo, 8:00–8:50pm	PSET, ECON 200 & before exams: SH 206 Wed, 7:00–9:00pm
Colleen Elise Chan (Undergrad.) cec015@ucsd.edu		PSET, ECON 200 Wed, 7:00–9:00pm

Prerequisites: Microeconomic principles (Econ 1) and a year of calculus (either Math 10C or 20C or 21C).

Course Objectives: As the first class in the micro sequence, Econ 100A is designed to teach you how to set up, solve and analyze optimization models and apply these mathematical models to the theory of the consumer (commodity demand, labor supply and consumption/savings decisions). Finally, we will examine the fundamentals of decision making under risk and uncertainty.

Required Texts:
(1) Varian, H. R. 2014. Intermediate Microeconomics with Calculus. W. W. Norton & Company, Inc.
(2) Mark Machina's Econ 100ABC Math Handout (MH).

Additional Readings: Other calculus-based intermediate textbooks that you could use to supplement Varian include Nechyba's Microeconomics: An Intuitive Approach with Calculus, Nicholson and Snyder's, Microeconomic Theory, and Perloff's Microeconomics: Theory and Applications with Calculus.

Video Handbook: The topics I cover in class are also explained in short video lectures from the Intermediate Microeconomics Video Handbook. The link to them is provided on TritonEd.

Web Resources: You are encouraged to take advantage of the following supplemental material for the 100ABC sequence, available free over the Internet.
(1) Martin Osborne's intermediate mathematics tutorial:
http://www.economics.utoronto.ca/osborne/MathTutorial/index.html. Chapters 1–6 of this will help you review the material that you learned in Math 10ABC or 20ABC that are the most important for this course.

(2) Preston McAfee's free online introductory textbook (this material is at a level between most microeconomics principles textbooks and Perloff's more advanced treatment. Preston is now the Chief Economist at Microsoft) http://www.introecon.com/.

Mandatory Discussion Sessions: These mandatory sessions are conducted by the TAs who will work through problem sets, and answer your questions regarding lectures, the textbook, homework problems and old exam problems. Please go to the discussion section you are enrolled in.

Problem Solving and Economics Tutoring Center (PSET): The Economics Department is making a problem solving and tutoring center available to all students in intermediate microeconomics (100ABC) on Mo–Th evenings and on the weekend (specific hours for PSET will be posted on the Department web page). The ability to apply the concepts from class to solve problems is the most important skill we want you to develop in our core classes. PSET is designed to help you learn to tackle problems successfully by having grad and undergrad TAs there to help you think through a problem when you get stuck. If you struggle to tackle your homework, we believe that PSET will be an efficient and effective way for you to learn how to think like an economist. The will be held in ECON 200 and the head PSET TA for 100ABC will be Becky Hui, b3hui@ucsd.edu.

Weekly Homework: It is tremendously important that you keep up with the course and that you practice solving economic problems. Each Friday we will post homework assignments on TritonEd. During your discussion section, your TA will work on the homework assignment for that week. We will post the homework answer key the following Friday. These homeworks are voluntary, not graded, but are the most important part of the course. To make the most of your time in this course, do these homeworks.

Assesment: Grading will be based on two midterms (25% each) and a final examination (50%). The final exam will be cumulative. You must take both midterms. All exams are closed book, and you may not use calculators and cell phones during the exams. The midterms will be held on **Thu, Oct 6th** and **Thu, Nov 3rd**, and the final on **Tu, Dec 6th, from 7:00 to 10:00pm**.

Regrade Requests: The TAs will give back the midterm exams in their discussion sections. By then, a solution to the exam would be posted on TritonEd. You can ask for a regrade before you leave the room with your exam. Your whole exam will be regraded and the regraded score will be your grade for the exam (thus, your score can go up or down). You may not ask for another regrade or go back to your first grade. If you don't think you have enough time to look at your exam after the section, you can pick up your exam from my office during my office hours the following week.

Future Opportunities: 100AH: If you earn an A/A–grade in my class this quarter, I recommend that you take the one-unit honors class 100AH in the fall. Honors classes are capped at 20 students and you will get to know the faculty member well (important for getting letters of recommendation). These classes typically have you give a short presentation and write a short paper. Presenting and writing in the major are two valuable skills that are challenging for us to offer in large classes. I strongly encourage you to take advantage of the 100AH opportunity.

Administrative Issues:

(1) If you have a documented disability, please bring your documentation to me as soon as possible so that I can make suitable accommodations for you. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities.

(2) Any student found responsible for violating UCSD's academic integrity policy will earn a failing grade for the course. In addition, the Council of Deans of Student Affairs will impose a disciplinary penalty.

(3) Exams:

    a. You must bring your student ID to all exams.

    b. You may only use a pen/pencil and a straight edge during exams.

        i. Exams are closed book and you may not use any notes.

        ii. Exams are electronic-free: you may not use calculators, headphones, cell phones, etc.

    c. 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.

    d. There are no bathroom breaks during the midterm exams (but let me know immediately if this policy will create a hardship for you).

    e. If there is a mistake adding the points on your exam, bring it to my attention during my office hours the following week after the section, and I will correct it.

Schedule

Week	Topic	Text	Video
(0) 9/19	Introduction: Math Review #1 (Functions) • Calculus • Elasticity • Level Curves • Scale Properties	Ch.1 MH: Sects. A, B, C	B1–B3 A1, A2
(1) 7/26	Preferences, Utility functions, and Budget constraints • Axioms of Rational Choice • Utility Representation of Preferences • Indifference Curves • Marginal Rates of Substitution • Common Utility Functions • Budget Constraints	Ch. 2, 3, 4	C1a–C2a, A1, A2
(2) 10/3	Math Review #2 (Static Optimization) **Midterm 1, Thu, Oct. 6**	MH: Sects. D,E	A4
(3) 10/10	Utility Maximization and Demand Functions • Regular ("Marshallian") Demand • Income Changes • Prices Changes	Ch. 5, 6	C2
(4) 10/17	Demand Functions (continued) and Comparative Statics of Demand • Compensated Price Changes • The *Slutsky* Equation • Demand Relationships Across Goods • Elasticity	Ch. 6, 8	C3, C4
(5) 10/24	Comparative Statics of Demand (continued)	Ch. 8	C5, C6
(6) 10/31	Compensating and Equivalent Variation, Consumer's Surplus **Midterm 2, Thu, Nov. 3**	Ch. 14	C7
(7) 11/7	Supply of Labor: The Labor-Leisure Decision	Ch. 9	C8
(8) 11/14	Supply of Saving: The Consumption-Savings Decision	Ch. 10	C9
(9) 11/21	Decision Making under Risk and Uncertainty • Expected Value • Expected Utility Theory • Risk Aversion	Ch. 12	C10
(10) 11/28	Decision Making under Risk and Uncertainty (continued) • Measuring Risk Aversion • Demand of Insurance • Investment in a Risky Asset	Ch. 12	C10

Final Exam: Tuesday, December 6, from 7:00 to 10:00 pm.