

**Economics 100B: Microeconomics, Part B**  
Winter 2014, Professors Simone Galperti and Joel Watson

This is the second of three courses in the core microeconomics sequence. It builds on the material presented in Economics 100A. The principal themes of the course will be the theory of production and firms, the markets for factors of production, and the competitive equilibrium reached between producers and consumers in “perfectly competitive” markets. The class emphasizes mathematical analysis in developing the theory; real-world applications will also be discussed.

**Prerequisites:** Students must have taken the prerequisite courses listed in the UCSD catalog and should be very comfortable with calculus. This course is inappropriate for students who lack good math skills.

**Class Website:** Materials will be posted at <https://ted.ucsd.edu/> on the page for Economics 100B. Students should log in regularly and check for announcements.

**Lecture and Discussion Section Schedule:**

796239 (Watson)	A00	TuTh	2:00p - 3:20p	PETER 110
Discussion	A01	W	8:00p - 8:50p	CENTER 115
Discussion	A02	W	9:00p - 9:50p	CENTR 115
796242 (Galperti)	B00	MW	6:30p - 7:50p	CENTER 113
Discussion	B01	Tu	7:00p - 7:50p	CSB 001
Discussion	B02	Tu	8:00p - 8:50p	CSB 001
796245 (Galperti)	C00	MW	8:00p - 9:20p	CENTER 113
Discussion	C01	Th	7:00p - 7:50p	CSB 001
Discussion	C02	Th	8:00p - 8:50p	CSB 001

Lectures will be podcast at <http://podcast.ucsd.edu/>. There will be no class meetings on Monday, January 20, and Monday, February 17, which are holidays.

**On-Line Video Material:** Some of the lectures will be delivered on line, freeing class time for problem-solving exercises and discussion. Students will be directed to the video content through links on the course website.

**Examinations:** There will be two midterm examinations and a final examination. The midterm exams will take place on Wednesday, January 29, and on Wednesday, February 19, both at 8:00 - 9:20 p.m. Students in the three classes will go to the following rooms for the midterm exams:

796239 (Watson)	A00	CENTER 101 and CENTER 115
796242 (Galperti)	B00	CENTER 105
796245 (Galperti)	C00	CENTER 113

The final exam times for the three classes are:

796239 (Watson)	03/20/2014	Th	3:00p - 6:00p
796242 (Galperti)	03/19/2014	W	7:00p - 10:00p
796245 (Galperti)	03/21/2014	F	7:00p - 10:00p

**Problem Sets:** Problem sets will be assigned. They will not be graded and students do not need to submit them. However, working on the mathematical exercises is a critical part of the learning process, so students are strongly urged to take problem sets seriously.

**Grading Weights:** Midterms 50%; final 50%.

**Readings:** The text for Econ 100B is *Microeconomics : Theory & Applications W/ Calculus* (Perloff), Chapters

6-10. There are many textbooks you can use to supplement, or use in place of, Perloff. Other calculus-based intermediate textbooks include Walter Nicholson's *Microeconomic Theory*. One free option is an online introductory textbook written by Preston McAfee, available at: <http://www.introecon.com/>. The level of this book is between Econ 1 and Econ 100. A free math-preparation book by Martin Osborne is available at: <http://www.economics.utoronto.ca/osborne/MathTutorial/index.html>. Chapters 1-6 of this book review the calculus tools taught in Math 10ABC or 20ABC that are most important for this course.

### **Teaching Assistants and Contact Information:**

Zheng Huang ([zh006@ucsd.edu](mailto:zh006@ucsd.edu), Econ 127).

Veena Jeevanandam ([vjeevana@ucsd.edu](mailto:vjeevana@ucsd.edu), Econ 113).

Claudio Labanca ([clabanca@ucsd.edu](mailto:clabanca@ucsd.edu), SH 140).

Andrew Brownback ([abrownback@ucsd.edu](mailto:abrownback@ucsd.edu), Econ 128).

Jason Bigenho ([jbigenho@ucsd.edu](mailto:jbigenho@ucsd.edu), Econ 116).

The TAs' office hour information will be posted on the ted website for the course.

### **Watson's and Galperti's Office Hours and Location**

Mondays 1:00 - 2:30 p.m. and by appointment. Office hours will usually take place in Sequoyah Hall 244.

Otherwise, go to the office of the professor who is handling office hours in the given week (Watson in Econ 310, Galperti in Econ 213). There will be no office hours on Monday, January 20 and February 17. **Please do not disturb Watson and Galperti outside of office hours unless you have an appointment.**

**How to Succeed in the Course:** Doing well in this course requires regular attendance at lectures and sections, watching the on-line lectures, and solving practice problems. Working through the mathematical exercises is a particularly important part of the learning process. It is not enough to glance at the solutions to the exercises. Students should work on as many exercises as they can before the discussion sections and before looking at solution keys.

### **Administrative Issues:**

1. If you have a documented disability, please bring your documentation to the professor or lead TA so that suitable accommodations can be made. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities as soon as possible. For information on the steps for academic accommodation, please see <http://www-senate.ucsd.edu/manual/appendices/app3.htm>.

2. Any student found guilty of academic dishonesty will earn a failing grade for the course. In addition to this academic sanction, the Council of Deans of Student Affairs will also impose a disciplinary penalty. For UCSD policy, please see <http://www-senate.ucsd.edu/manual/appendices/app2.htm>.

3. You will only need a writing instrument (pen or pencil) for examinations. No books, notes, or electronic devices (including calculators, headphones, cell phones) are allowed, and students may not consult with each other during the examinations.

4. If you arrive late to an exam, you will be allowed to take the exam in the time that remains as long as no one has submitted his/her exam and left the room. If you arrive after someone has submitted an exam, you will earn zero points on the test.

5. If you believe that an exam has not been properly graded, you must first discuss this with a TA for the course. If after talking to the TA, you would like to have your exam re-graded, you must submit a re-grade request to the lead TA within seven days from when exams were returned to the class. You must explain clearly why you believe your score is in error. The professor and TAs will then discuss the question, review your entire exam, and increase or decrease your score as is necessary. You may not ask for another regrade or reinstate your original grade. Hence, by submitting a re-grade request you risk having your score decrease, so consider this decision carefully.

6. UCSD has automated wait-lists. If you have any questions regarding adding the class, please contact the undergraduate advisors in Sequoyah Hall 245. The economics department does not allow late additions (additions after the second week) to any class.

7. Students should attend and participate in class; their mobile phones and other distracting devices should not. The professor will employ the necessary means to discourage classroom distractions.

## Schedule of Topics and Lectures

(This is a rough schedule; the pace of the course may be faster or slower.)

<u>Dates</u>	<u>Topics</u>	<u>Chapters (Pages)</u>
January 6-9	Review and Overview	
January 13-16	Firms and Production	6.1-3 (173-185)
January 21-28	Firms and Technology	6.4-5 (185-198)
January 29	Midterm Exam 1	
February 3-6	Theory of Costs (short run, long run)	7.1-4 (206-238)
February 10,11	Competitive Firms	8.2-3 (252-267)
February 12-18	Firm and Market Supply	8.3-4 (270-280)
February 19	Midterm Exam 2	
Feb. 24 – Mar. 4	Competitive Equilibrium	8.1 (247-252), 8.3 (267-269) 8.4 (280-283), 9.1-2 (289-296)
	(including General Equilibrium)	10.1-4 (325-348)
March 5-13	Welfare and Efficiency	9.3-6 (296-321)
	Review	
March 19-21	Final Exams	

Also, students need to understand Sections F-H of Machina's Econ 100ABC math handout:  
[http://www.econ.ucsd.edu/~mmachina/courses/ECON\\_100B/ECON\\_100B\\_Math\\_Handout.pdf](http://www.econ.ucsd.edu/~mmachina/courses/ECON_100B/ECON_100B_Math_Handout.pdf)  
This material will be reviewed during the course.