

# Economics 1 – Introductory Microeconomics, Fall 2005

Tuesday/Thursday 8:00 - 9:20am, Price Center Theatre

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Office Hours: Wednesdays, 2:30-3:30pm  
Class Web Page <http://econ.ucsd.edu/~kantonov/ec001f05/home.html>

**COURSE DESCRIPTION:** This course is designed to introduce you to the basic foundations of microeconomic analysis. The course will begin by giving a brief overview of why individuals interact in a market setting. We will then discuss supply, demand and market equilibrium. After having done this, we will examine how individuals and firms behave under perfect competition. Finally, we will discuss international trade and trade policy.

**PREREQUISITES:** None.

## REQUIRED READING:

- Principles of Economics, Second Edition, by Robert Frank and Ben Bernanke, available in the bookstore and on reserve (ISBN: 0072503300). The textbook is expensive. However, it is also the required text for Econ 2 and Econ 3.
- Indifference Curve Supplement: For sale at the bookstore. Much of this supplement is also available for free on-line. See the class web page for a link. Please note that the on-line version of the supplement is missing one important topic that we will cover in class.

**APLIA:** This course will use an educational software called Aplia. This is a *required* component of the course since all out-of-class assignments will be completed on Aplia's web site ([Aplia.com](http://Aplia.com)). The web site gives detailed information about when assignments are due and how to turn them in. You should sign up for Aplia as soon as possible. If you think you might drop the course, go ahead and sign up since there is a 21 day grace period before you have to pay. For information on how to sign up for Aplia go to: <http://econ.ucsd.edu/~kantonov/ec001f05/ApliaIntrof05.pdf>

On Aplia's web site, you will find three basic kinds of assignments:

1. **Practice homework assignments:** These are not graded and are just for practice.
2. **Homework assignments:** These will come in the form of both problem sets and news analysis. You will receive 1 point for each correct answer, and at the end of the quarter we will average together all of your homework grades. In order to allow some flexibility for students who are sick, who have critical conflicts or who are having computer problems the night an assignment is due, the **four** lowest homework grades will be dropped.
3. **Experiments:** I will explain more about the experiments as the dates of the experiments approach. The experiments and the accompanying assignments will count as homework assignments in terms of your final grade. However, extra credit points will be given to students who perform well in the experiments.

**SECTION:** There are weekly discussion sections for this course. You are not required to attend sections in the sense that they are not an official part of your grade. However, many students find the discussion sections useful since the TAs will cover the kinds of problems you are likely to see on exams.

**EXAMS:** There will be two midterms and a cumulative final. Dates are **not** negotiable. If you miss a midterm for a verifiable medical/legal/sports reason, your midterm grade will be your grade on the final. Otherwise you will receive a zero, no exceptions!!

**Midterm 1:** Tuesday, October 18th, in class

**Midterm 2:** Thursday, November 10th, in class

**Final:** Tuesday, December 6th, 8-11:00am

**GRADES:** Aplia Assignments (20%), Midterm 1 (20%), Midterm 2 (20%), Final (40%)

**READING:** Below is a list of the reading for the course. You are expected to keep up with the reading on your own. You are only responsible for sections of the textbook that we talk about in class.

Topic	Chapter
Comparative Advantage: The Basis for Exchange	2
Demand and Supply: An Introduction	3
Elasticity	4
Demand: The Benefit Side of the Market	5 +Supplement
Perfectly Competitive Supply: The Cost Side of the Market	6
The Quest for Profit and the Invisible Hand	8
Efficiency and Exchange	7
International Trade and Trade Policy	16

**TIPS TO DOING WELL:** The best way to do well in this class is to complete the weekly homework assignments. It is easy to lull yourself into thinking you understand the material better than you do, and completing the homework is a good reality check. Coming to class is also important, especially since we will sometimes cover topics that are not covered in the reading.