

**ECON2**  
**Elements of Economics II**  
FALL 2005

**Instructor:** Dr. Kazuki Onji

**Office and Contacts:** Economics Building 109, (885) 534-8904, email: konji@ucsd.edu

**Class Web Page:** <http://www.econ.ucsd.edu/~konji/econ2/>

**Class Time and Location:** Mon, Wed, Fri 8:00 - 8:50, Cognitive Science Building 001.

**Office Hours:** Wed 1:00 - 2:00  
Fri 11:00 - 12:00

<b>Teaching Assistants:</b>	name	email	office	office hours
	Emily Tang	yetang@econ.ucsd.edu	TBA	TBA
	Henry Wang	henryw@gmail.com	TBA	TBA

**Description:** This course continues with an introduction to microeconomics - a study of how consumers and firms make decisions and of the results of their choices on the society. The focus is on the decisions made in the markets plagued by a variety of imperfections, and we will study the government programs that deals with market imperfections. The objective of the course is to make you acquainted with the economic analysis of social issues, including imperfect competitions, income inequality, environmental pollution, health care, taxation, and international trade.

**Prerequisites:** ECON1A or ECON1.

**Textbook:** Robert H. Frank and Ben S. Bernanke, *Principles of Economics*, 2nd Edition, 2004.

**Course Readings:** We will be covering Chapter 7, 9 - 16, 18 (pp 779-793). The reading assignments for each lecture are outlined in the class schedule below. You are encouraged to read ahead of the lecture. You will be responsible for all materials in each chapter.

**Grading:** There will be problem sets, two midterm and a final exam. They will count toward the numerical grade as follows.

Problem sets	10%
First Midterm	25%
Second Midterm	25%
Final	40%.

**Exams:** The First Midterm will be on Friday, October 14 (in class). The Second Midterm will be on Friday, November 4 (in class). The Final is on Friday, December 9 from 8:00 to 11:00 p.m. You may bring a non-programmable calculator to the exams (scientific or business calculators are not permitted), and no blue book is needed. **No make-up exams will be given.** Students who miss a midterm exam without a university accepted excuse will receive a grade of zero for the exam. Students who miss a midterm with a university accepted excuse will have the weight of the final exam increased. You must take the final examination to receive a grade in this class.

Excuses for missed exams must be pre-approved by the instructor (except when this is not possible in an emergency situation). Students who make initial contact after the exam will have to document why they could not make contact prior to the exam. In addition, any student who misses an exam due to physical illness will be required to provide documentation from a health care professional indicating why the student was physically unable to take the exam. All documentation and an additional signed written statement explaining the relevant circumstances of the absence must be provided to the instructor within two working days of the student's return to campus. Failure to comply with any of the above in the specific manner will result in a grade of zero for the exam.

**Homework Assignments:** There will be graded problem sets. You are encouraged to work with classmates, but you must submit answers in your own words; homework will be collected **at the beginning** of the class on the due date; submission after the due date will not be accepted; submission after the class on the due date will be accepted with a penalty - homework scores will be reduced by 25 percent.

**Discussion Sections:** While the attendance to discussion sections is not mandatory, it is important to go to sections since TAs will provide answers to problem sets (the solutions will not be posted on the class webpage).

Section	Section Time	Section Room
A01	Mon 9:00-9:50	WLH 2205
A02	Wed 3:00-3:50	WLH 2205

**Tentative Class Schedule:** (exam dates are fixed):

Date	Topic	Reading Assignment
Fri Sep 23	Efficiency and Exchange (review from Econ I)	Chapter 7
Mon Sep 26	(continued)	Chapter 7
Wed Sep 28	Monopoly and Other Forms of Imperfect Competition	Chapter 9
Fri Sep 30	(continued)	Chapter 9
Mon Oct 3	(continued)	Chapter 9
Wed Oct 5	(continued)	Chapter 9
Fri Oct 7	Thinking Strategically	Chapter 10
Mon Oct 10	(continued)	Chapter 10
Wed Oct 12	Externalities and Property Rights	Chapter 11
<b>Fri Oct 14</b>	<b>First Midterm</b>	
Mon Oct 17	Externalities and Property Rights (continued)	Chapter 11
Wed Oct 19	(continued)	Chapter 11
Fri Oct 21	The Economics of Information	Chapter 12
Mon Oct 24	(continued)	Chapter 12
Wed Oct 26	(continued)	Chapter 12
Fri Oct 28	Labor Markets, Poverty, and Income Distribution	Chapter 13
Mon Oct 31	(continued)	Chapter 13
Wed Nov 2	(continued)	Chapter 13
<b>Fri Nov 4</b>	<b>Second Midterm</b>	
Mon Nov 7	The Environment, Health, and Safety	Chapter 14
Wed Nov 9	(continued)	Chapter 14
<b>Fri Nov 11</b>	<b>Veterans' Day (no class)</b>	
Mon Nov 14	Public Goods and Tax Policy (continued)	Chapter 15
Wed Nov 16	(continued)	Chapter 15
Fri Nov 18	(continued)	Chapter 15
Mon Nov 21	International Trade and Trade Policy	Chapter 16
Wed Nov 23	(continued)	Chapter 16
<b>Fri Nov 25</b>	<b>Thanksgiving (no class)</b>	
Mon Nov 28	International Trade and Trade Policy (continued)	Chapter 16
Wed Nov 30	Exchange Rates and the Open Economy	Chapter 29 (first half only, pp. 779-793)
Fri Dec 2	(continued)	Chapter 29 (first half only, pp. 779-793)
Fri Dec 9	<b>Final Exam</b>	