

Economics 1: Principles of Microeconomics
UCSD Fall 2007
M, W, F 4-4:50p
Center Hall 105

Course Description

This course gives you the basic tools of microeconomic analysis. Microeconomics covers the choices of individuals and businesses, and the interaction of these consumption and production choices in markets.

Required Textbook

Microeconomics, 8th Edition, Michael Parkin

Course Website

I will post announcements, homeworks, grades, and practice exams on our course website at webct. There is also a discussion board here that I encourage you to use. <http://webct.ucsd.edu>

Contact Information

Instructor:	Yuan Emily Tang	yetang@ucsd.edu
Teaching Assistants:	Ben Backes	bbackes@ucsd.edu
	Aren Megerdichian	amegerdi@ucsd.edu

Office Hours

Tang:	F 12-2p (and by appointment)	Economics 114
Backes:	W 12-1p, F 3-4p	Economics 119
Megerdichian:	M 12-2p	Sequoyah Hall 205

Discussion Sections

M 2-2:50p	Peterson Hall 103	(603456, Megerdichian)
F 2-2:50p	Peterson Hall 103	(603457, Backes)

Important Dates

Midterm 1:	Friday 10/19/07 4-4:50p	in class, Center Hall 105
Midterm 2:	Friday 11/16/07 4-4:50p	in class, Center Hall 105
Final:	Saturday 12/15/07 3-6p	location TBD
No class:	Monday 11/12/07 (Veteran's); Friday 11/23/07 (Thanksgiving)	

Grades

Homework: 10% (Approximately 4-6 throughout the quarter, graded 0/1/2)
Midterm 1: 25%, Midterm 2: 25%, Cumulative Final: 40%

Policies

Exam dates are not negotiable. If you miss an exam because of documented illness or sports, your grade on the missed exam will be your grade on the final. Unexcused missed exams will receive scores of 0. Cheating will be punished by F. I do not accept late homework. Please make sure cell phones are off or on vibrate. If you use a computer in class, please sit in the back rows.

Course Outline

We will follow the textbook closely.

Part One: Introduction

Ch. 1: What is Economics?

The Economic Way of Thinking

Ch. 2: The Economic Problem

Production Possibility Frontier and Opportunity Cost

Measuring Costs and Benefits

Efficient Use of Resources

Comparative Advantage and Gains from Trade

Part Two: How Markets Work

Ch. 3: Demand and Supply

Schedules and Curves

Movements Along and Shifts of Curves

Market Equilibrium

Effects on Equilibrium of Changes in Demand and Supply

Ch. 4: Elasticity

Price Elasticities of Demand

More Elasticities of Demand

Elasticity of Supply

Ch. 5: Efficiency and Equity

Resource Allocation Methods

Demand and Marginal Benefit

Supply and Marginal Cost

Efficiency of the Competitive Market

Ch. 6: Markets in Action

Price Ceilings, Minimum Wages

Taxes, Subsidies, Quotas

Markets for Illegal Goods

Part Three: Households' Choices

Ch. 8: Consumption Possibilities, Preferences, and Choices

The Budget Line

Preferences and Indifference Curves

Predicting Behavior: Changes in Prices, Changes in Income

Substitution and Income Effects

Part Four: Firms and Markets

Ch. 10: Output and Costs

Decision Time Frames

Short Run and Long Run

Ch. 11: Perfect Competition

Firms Decisions

Output, Price, and Profit

Long Run Effects of Changes in Demand

Competition and Efficiency

Ch. 12 pg 263-273 only: Monopoly