

Instructor: Herb Newhouse (hnewhouse@ucsd.edu)

Course webpage: <https://canvas.ucsd.edu/>

Office Hours: T from 10:00 am – 12:00 pm and from 1:30 – 2:30 pm

Online

Lectures: MWF 8:00 – 8:50 am in CTL 0125

Discussions listed in a separate Document.

TAs and TA office hours will be listed in a separate document.

This course is the first of three courses in microeconomics. We will learn how to set up, solve and analyze optimization models and apply these mathematical models to the theory of the consumer. Applications include commodity demand, labor supply and consumption/savings decisions. Finally, we will examine the fundamentals of decision making under risk and uncertainty.

Prerequisites:

ECON 1; and MATH 10C or MATH 20C or MATH 31BH.

Lectures and Review Sessions:

You are responsible for all the material covered in lecture and in the problem sets. Partial notes will be available on the class webpage before each lecture. I recommend that you print these out beforehand and fill in the missing information. I'll do my best to avoid typos but you're responsible for the correct material. I want you to understand the material instead of simply memorizing it. If you miss a lecture, watch the appropriate podcast or borrow someone's notes. We will schedule a review session for each exam. Discussion sections are optional but recommended.

Lectures will be held in person and podcasted. Review sessions and some discussion sections will be recorded.

Grading:

My prediction of how I will assess you in this course is:

Your grade will be determined based on two Midterm Exams (25% each) and a Final Exam (50%). Alternatively, your lower midterm will count for 15%; your higher midterm will count for 25% and your final will count for 60%. If you miss an exam for a documented, university approved reason (ie., illness, official university trip), the weight for that exam will be shifted to your final exam. If you miss an exam for another reason (ie., oversleep, forget the time), you will receive a zero on the exam.

Midterm 1 will be held in class on Friday, October 14th. Midterm 2 will be held in class on Monday, November 7th. The final exam will be held on Monday, December 5th from 8:00 – 11:00am. If you know in advance that you cannot make an exam, please let me know as soon as possible.

You are only permitted to use pens and pencils, a straight edge and a **single** note sheet during each exam. The note sheet can be any physical size up to 8.5" by 5.5" for the midterms and up to 8.5" by 11" for the final. It may **only** have handwritten notes on both sides. Electronically produced (computer printed, photocopied, etc.) notes are **not** permitted. Do **not** attach anything to your note sheet.

If seats are assigned for exams, anyone not sitting in his or her assigned seat will lose points on that exam. If there is a problem with your assigned seat, please let us know so we can reassign you.

While I will do what I can to keep to the predicted assessments for this course, the evolving situation may make it necessary for me to make changes.

Academic dishonesty:

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

Regrade requests:

Regrade requests may only be submitted via Gradescope during the weeklong regrade period. A separate request needs to be made for each part that you would like regraded. The regrade period will probably begin a day or two after the exam results are made available to the class. Please do not contact the instructor or any of the TAs regarding the grading of an exam or the grading for the course before the regrade period begins. If your TA and I agree with your request, your score for that question will be corrected. If your TA and I disagree with your request, you will lose 1 point for each part of a midterm question and 2 points for each part of a final exam question.

Text and additional resources:

Perloff, *Microeconomics Theory and Applications with Calculus*, (fifth edition). Your textbook is provided in a digital format through Canvas and is free for the first two weeks of class. Your student account will then be charged for use of the content covering the rest of the quarter unless you opt-out of the content by October 8th. Opt-out will be an option when you access the material, or you can email textbooks@ucsd.edu.

This textbook is also used in Econ 100B and Econ 100C. I will give references for this text. The material for this course is fairly standard; other Microeconomic Theory books are probably fine. There is a free textbook you can access online, McAfee and Lewis, *Introduction to Economic Analysis*, <http://www.introecon.com/>. I have not looked through this text carefully but have read that its level is in between Econ 1 and Econ 100A.

Machina, Mark (2010), *Math Handout*.

Microeconomics Video Handbook (MVH). The MVH is over 220 videos created by UCSD faculty on the 100ABC material. A link to the MVH is on Canvas.

Problem Sets:

Problem sets will be available online. We will go over these questions in office hours and in the discussion sections. Your best practice for the exams is to try these questions yourself first.

Preliminary Course Outline:

<u>Topic</u>	<u>Text</u>	<u>Math Handout</u>	<u>Video</u>
Introduction/Math Review	Ch. 1, Calculus Appendix	Sections A, B, C	B1 – 3
Consumer Preferences:			
Axioms of Rational Choice	Ch. 3.1		C1a – C1j
Utility Functions	Ch. 3.2		
Indifference Curves	Ch. 3.1		A2
Marginal Rate of Substitution	Ch. 3.2		
Marginal Utility	Ch. 3.2		
Common Utility Functions	Ch. 3.2		C1k
Budget Constraints	Ch. 3.3		C2a
Optimization Review	A.4, A.5, A.6	Sections D, E	A3-A4
Utility Maximization & Demand	Ch. 3.4, 4.1		C2
Comparative Statics of Demand:			
Income Changes	Ch. 4.2		C3
Price Changes	Ch. 4.3		C4
Compensated Price Changes	Ch. 4.3		C5
Slutsky Equation	Ch. 4.3		C5
Demand Relationships	Ch. 4.4		C6
Elasticity	Ch 2.5		
Consumer Surplus	Ch. 5.1, 5.2, 5.3		C7
Supply of Labor	Ch. 5.4		C8
Supply of Saving	Ch. 15.2		C9
Risk & Uncertainty	Ch. 16.1, 16.2		C10

This outline is preliminary. It is subject to change.