

# **Economics 1 –Principles of Microeconomics, Summer I 2012**

8:00-10:50am, MWF HSS 1330

Instructor: Linchun Chen  
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Class Email: [econ1su2012@gmail.com](mailto:econ1su2012@gmail.com)  
Office Hours: MWF, 11am-12pm, or by appointment  
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Class Web Page: Ted  
(Please see the class web page for more information)

**COURSE DESCRIPTION:** This course begins by giving a brief overview of why individuals interact in market settings. We then discuss demand, supply and market equilibrium. We also examine how individuals make consumption choices, how firms behave under perfect competition and why perfectly competitive markets lead to efficient outcomes. Finally, we discuss international trade and introduce market imperfections and monopoly. There are no prerequisites for the course.

**REQUIRED READING:** Principles of Microeconomics, 4th Edition, by Frank and Bernanke (ISBN-13 9780073402888). This book also will be used for Econ 2 and Econ 3. A UCSD custom edition of the textbook is available at the UCSD Bookstore for \$80. The UCSD custom edition contains an important appendix to Chapter 5 that is not in the standard 4th edition. If you prefer, you can purchase older editions of the textbook, but be warned that the order of the chapters changes from one edition to the other, and earlier editions may be missing important material. If you purchase an earlier edition, it is your responsibility to make sure you are adequately keeping up with the class. An additional consideration is that your instructors for Econ 2 and Econ 3 may want you to have the 4th edition.

**PRACTICE PROBLEM SETS:** Weekly practice problem sets will be posted after I finish the materials of a particular chapter. It is optional, and your solutions will not be collected or graded. However, by completing regular work in association with the lectures, you will better prepare yourself for the lectures and exams in the course, and you will have an overall better understanding of the course material. Cramming is not an effective method of learning. Think of the regular assignments on Ted as a weekly workout. Practicing and applying what you are learning from Ted and lectures will better prepare you for class.

**SECTION:** There are weekly discussion sections for this course. You are not required to attend section, but in section the TAs will cover the kinds of problems you are likely to see on exams. Each week, the problems your TAs will cover will be posted on Ted, and you are encouraged to try these problems on your own before

coming to section. Answers to the problems will be posted after your discussion sections.

**EXAMS:** There will be a midterm and a cumulative final. Dates are **NOT** negotiable.

**Midterm:** Wednesday, July 18th, 9:30-10:50 am, HSS 1330

**Final Exam:** Friday, August 5th, 8-11:00am, location TBA

**GRADES:** Midterm (40%), Final (60%). Grades for the course will be curved.

**ADMINISTRATIVE ISSUES:**

1. If you have a documented disability, please come to talk to me as soon as possible so that I can make suitable accommodations for you. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities as soon as possible.
2. Students are expected to do their own work, as outlined in the UCSD Policy on Integrity of Scholarship: <http://www-senate.ucsd.edu/manual/Appendices/app2.htm>. All suspected cases of academic dishonesty will be reported to the Academic Integrity Coordinator. Students found guilty of academic dishonesty will earn a failing grade for the course. In addition, the Council of Deans will impose a disciplinary penalty.
3. If you need to miss the midterm for a verifiable medical/legal/sports reason, your midterm grade will be your grade on the final. Failure to notify me promptly that you must miss a midterm will result in a zero grade for that midterm. Unexcused absences will also result in a zero.
4. If you arrive late to an exam, I will allow you to take the exam in the time that remains *as long as no one has turned in his/ her exam and left the room*. Once a classmate has turned in his/her exam, you will earn a zero on the test if you arrive late.
5. UCSD now has automated waitlists. If you have any questions regarding adding the class, please refer to Triton Link.
6. Midterms and exams that you do not pick up will be kept for one quarter following the end of the course and then thrown away (at which point your scores cannot be disputed).

**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. Chapters and page numbers refer to the UCSD custom edition of the textbook. You are expected to keep up with the reading on your own.

<b>Topic</b>	<b>Chapter</b>
Think as an Economist	1
Comparative Advantage	2
Supply and Demand	3
Elasticity	4
Demand	5 (including appendix)
Perfectly Competitive Supply	6
Efficiency and Exchange	7
The Invisible Hand in Action	8
International Trade	28 (page 809-824)
Monopoly	9 (pages 233-249)

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

**NOTE:** There will be no class on Wednesday, July 4th.