

**Economics 1 – Principles of Microeconomics
Winter 2011**

Mon, Wed, Fri 4:00 - 4:50 pm
Peterson Hall 108

Instructor

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Office Hours: Mon, Wed 12:30 pm - 2:30 pm

Teaching Assistants

Andrew Chamberlain adchamberlain@ucsd.edu
Discussion Section: Mon 5:00-5:50 pm (Center Hall 222)
Office Hours: Tue 8:00 – 9:30 am (Sequoyah Hall 205)

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Discussion Section: Wed 12:00-12:50 pm (Center Hall 222)
Office Hours: Thu 11:00 am – 12:30 pm (Sequoyah Hall 235)

Matthew Diamond mcdiamon@ucsd.edu
Discussion Section: Wed 6:00-6:50 pm (Center Hall 222)
Office Hours: Fri 12:00 – 1:30 pm (Sequoyah Hall 244)

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Discussion Section: Fri 10:00-10:50 am (Warren Lecture Hall 2204)
Office Hours: Tue 11:30 am – 1:00 pm (Sequoyah Hall 231)

Course Description

Economics 1 introduces microeconomics. Initially, we lay out the basic economic principles that we will use throughout the course: scarcity, cost-benefit analysis, comparative advantage, and the basics of demand and supply. The second part of the course analyzes in more depth how firms and consumers behave. The framework is an idealized economy in which there is perfect competition and perfect information. We introduce the concept of elasticity, and explore in more detail the demand and supply sides of the market. The important concept of economic surplus is introduced and we discuss the idea of how market forces, in this idealized economy, work to generate the best outcome for society. The course ends with a discussion of the effects of opening the economy to international trade, and a brief introduction to monopoly markets.

Course Materials

Required Textbook: Frank, Robert H. and Ben S. Bernanke (2009), *Principles of Economics*, 4th edition, McGraw-Hill Irwin.

There is a custom version of this textbook available at the UCSD Bookstore. The custom content is identical to the 4th edition in every way except that it has the indifference curve appendix added, has a different hardback cover, and is cheaper.

Chapters: 1-8, 28 (through page 824), 9 (brief introduction).

Course Webpage

During this course, to complete your homework assignments, you will be required to access a website called Aplia. To access the website, you need to register for an account with Aplia at <http://econ.aplia.com>. **You should do this as soon as possible, as homework will soon be due.** If you think you might drop the course, go ahead and register with Aplia anyway, since there is a 21-day grace period before you have to pay. Below, you will find the instructions as well as a course key so that you can register with Aplia.

We will use the Aplia website as our course webpage. The course webpage will contain information relevant to the course, such as homework assignments, detailed information on assignment due dates, extra practice problem sets, announcements, solutions to problem sets and exams, syllabus, and more. Please check this page regularly.

Instructions: How to access your Aplia course

Econ 1 - Winter 2011

Instructor: Maria Teresa Candido

Start Date: 01/03/2011

Course Key: 7BLU-WBCA-57FU

Registration

1. Connect to <http://www.aplia.com/>
2. **If you already have an account, sign in.** Go to your My Courses page, and click the *Enroll in a New Course* button.
If you don't have an account, click the *Create a New Account* button, and choose *Student Account*.
3. Enter your Course Key when prompted: **7BLU-WBCA-57FU**. Continue to follow the on-screen instructions to access your course.

Payment

Online: Purchase access to your course from the Aplia website for US\$40.00.

If you choose to pay later, you can use Aplia without paying until 11:59 PM on 01/23/2011.

My Expectations

1. It is important to come to every lecture. If you should miss a class, it is your responsibility to get the notes and any information provided in class. There are weekly discussion sections for this course. We will not take attendance for them. However, it is very important and highly recommended that you attend these sections since the TAs will go over practice problems, the kind of problems you will encounter on exams. The discussion sessions begin in the second week of classes (January 10th).
2. You are expected to keep up with the required reading on your own.
3. Complete all your homework assignments. Remember, homework is assigned to assist you in studying, and a way for you to check if you understand the material.

Add/Drop Policy

The instructor will not sign add cards. For any question regarding waitlist procedures, please check Triton Link (Link to UCSD Waitlist Procedures) or go to the Economics Student Services in Sequoyah Hall 245.

Grading

Homework Assignments

2 Midterm Exams

Final Exam

Homeworks: All homework assignments are worth the same, regardless of the number of questions in them. The normalized score for each assignment is the percentage of correct answers. The homework grade is computed by taking an average of the (normalized) scores of assignments, after dropping the **four** lowest scores. Be aware that participation in class experiments is also considered a homework assignment.

Exams: The midterm exams are scheduled to **Friday, January 28th**, and **Friday, February 18th**, at lecture time. The final exam will take place on **Friday, March 18th** from 3:00 pm to 6:00 pm and will be cumulative. The questions asked on exams will be based on lectures, textbook reading and assigned or practice problems.

Course Grade: We will calculate for each student one point total that puts a weight of 20% on homework assignments, 20% on the first midterm exam, 20% on the second midterm exam, and 40% on the final. We will then calculate a second point total that puts the weight on 20% on homework assignments, 20% on the best of the two midterm exams, and 60% on the final. Student's grade will be based on the higher of the two numbers. There are no make-up exams – a missed midterm exam automatically commits a student to the second option.

Tentative Schedule (exams dates will not change)

| Date | Number of Lectures | Topic | Textbook (4 th edition) Chapters |
|--|--------------------|---|---|
| Jan 3 rd | 1 | Class Introduction | - |
| Jan 5 th – Jan 7 th | 2 | Thinking Like an Economist | 1 |
| Jan 10 th – Jan 12 th | 2 | Comparative Advantage: The Basis for Exchange | 2 |
| Jan 14 th – Jan 24 th | 4 | Supply and Demand: An Introduction | 3 |
| Jan 26 th | 1 | Elasticity | 4 |
| Jan 28th | 1 | First Midterm | 1-3 |
| Jan 31 st - Feb 2 nd | 2 | Elasticity | 4 |
| Feb 4 th – Feb 11 th | 4 | Demand: The Benefit Part of the Market | 5 |
| Feb 14 th – Feb 16 th | 2 | Perfectly Competitive Supply: The Cost Side of the Market | 6 |
| Feb 18th | 1 | Second Midterm | 4, 5, part of 6 |
| Feb 23 rd | 1 | Perfectly Competitive Supply: The Cost Side of the Market | 6 |
| Feb 25 th - Mar 2 nd | 3 | Efficiency and Exchange | 7 |
| Mar 4 th | 1 | The Quest for Profit and the Invisible Hand | 8 |
| Mar 7 th – Mar 9 th | 2 | International Trade | 28 |
| Mar 11 th | 1 | Monopoly (Brief Introduction) | 9 |
| Mar 18th 3:00 pm - 6:00 pm | - | Final Exam | All covered chapters |