

## Economics 100B: Microeconomics, Part B

Winter 2012, Professor Joel Watson

This is the second of three courses in the core microeconomics sequence. It builds on the material presented in Economics 100A. The principal themes of the course will be the theory of production and firms, the markets for factors of production, and the competitive equilibrium reached between producers and consumers in “perfectly competitive” markets. The class emphasizes mathematical analysis in developing the theory; real-world applications will also be discussed.

**Prerequisites:** Students must have taken the prerequisite courses listed in the UCSD catalog and should be very comfortable with calculus. This course is inappropriate for students without good math skills.

**Schedule:** MWF 9:00 – 9:50 p.m. in WLH 2001. There are also problem-solving/discussion sessions on Thursdays (B01 at 7:00 – 7:50 p.m. and B02 at 8:00 – 8:50 p.m., both in WLH 2005). Lectures will be podcast at <http://podcast.ucsd.edu/>. There will be no class meetings on January 16 and February 20, which are holidays.

**Examinations:** There will be two midterm examinations and a final examination. The midterm exams will take place on Monday, January 30, and on Friday, February 24, during the normal class time. The final exam will be on Wednesday, March 21, from 8:00 to 11:00 a.m.

**Problem Sets:** Problem sets will be assigned. They will not be graded and students do not need to submit them. However, working on the mathematical exercises is a critical part of the learning process, so students are strongly urged to take problem sets seriously.

**Grading Weights:** Midterms 40%; final 60%.

**Readings:** The text for Econ 100B is *Microeconomics* (Nechyba), Chapters 11-16. There are many textbooks you can use to supplement Nechyba. Other calculus-based intermediate textbooks include Walter Nicholson’s *Microeconomic Theory*. One free option is an online introductory textbook written by Preston McAfee, available at: <http://www.introecon.com/>. The level of this book is between Econ 1 and Econ 100A. A free math-preparation book by Martin Osborne is available at: <http://www.economics.utoronto.ca/osborne/MathTutorial/index.html>. Chapters 1-6 of this book review the calculus tools taught in Math 10ABC or 20ABC that are most important for this course.

**Class Website:** Materials will be posted at <https://ted.ucsd.edu/> on the page for Economics 100B. Students should log in regularly and check for announcements. Watson’s web site is: <http://weber.ucsd.edu/~jwatson/wcourse.htm>.

### Teaching Assistants, Office Hours, and Contact Information:

Tim Keller ([tkeller@ucsd.edu](mailto:tkeller@ucsd.edu), Sequoyah Hall 140), Mondays 2:00 – 4:00 p.m.

Martha Gimel ([mgimbel@ucsd.edu](mailto:mgimbel@ucsd.edu), Econ 117), Tuesdays 11:00 a.m. – 1:00 p.m.

Zheng Huang ([zh006@ucsd.edu](mailto:zh006@ucsd.edu), Econ 127), Thursdays 1:00 – 3:00 p.m.

Andrew Brownback ([abrownback@ucsd.edu](mailto:abrownback@ucsd.edu), Econ 128), Wednesdays 10:00 a.m. – 12:00 p.m.

### Watson’s Office Hours and Location

Fridays 12:20 a.m. – 1:40 p.m. and by appointment. Office hours will usually take place in Sequoyah Hall 244 (check in Econ 310 if no one is present in SH 244). There will be no office hours on Friday, January 27. **Please do not disturb Watson outside of office hours unless you have an appointment.**

**Succeeding in the Course:** Doing well in this course requires regular attendance at lectures and sections, reading the textbook, and solving practice problems. Problem-solving is the only way to succeed. Glancing at the solution to a problem and just verifying one's understanding *is not enough*; students must try to solve as many exercises on their own before TA-led sections and checking the solutions.

### **Administrative Issues:**

1. If you have a documented disability, please bring your documentation to the professor or lead TA so that suitable accommodations can be made. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities as soon as possible. For information on the steps for academic accommodation, please see <http://www-senate.ucsd.edu/manual/appendices/app3.htm>.

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

3. You will only need a writing instrument (pen or pencil) for examinations. No books, notes, or electronic devices (including calculators, headphones, cell phones) are allowed, and students may not consult with each other during the examinations.

4. If you arrive late to an exam, you will be allowed to take the exam in the time that remains as long as no one has submitted his/her exam and left the room. If you arrive after someone has submitted an exam, you will earn zero points on the test.

5. If you believe that an exam has not been properly graded, you must first discuss this with a TA for the course. If after talking to the TA, you would like to have your exam re-graded, you must submit a re-grade request to the lead TA within seven days from when exams were returned to the class. You must explain clearly why you believe your score is in error. The professor and TAs will then discuss the question, review your entire exam, and increase or decrease your score as is necessary. You may not ask for another regrade or reinstate your original grade. Hence, by submitting a re-grade request you risk having your score decrease, so consider this decision carefully.

6. UCSD has automated wait-lists. If you have any questions regarding adding the class, please contact the undergraduate advisors in Sequoyah Hall 245. The economics department does not allow late additions (additions after the second week) to any class.

7. Students should attend and participate in class; their mobile phones and other distracting devices should not. The professor will employ the necessary means to discourage classroom distractions.

### **Schedule of Topics and Lectures**

(This is a rough schedule; the pace of the course may be faster or slower.)

<u>Dates</u>	<u>Topics</u>	<u>Chapters</u>
January 9 – 20	Firms and Production	11, 12
January 20 – February 1	Theory of Costs (short run, long run)	11, 12
January 30	Midterm Exam 1	
February 1 – 17	Competitive Firms	11, 12, 13
February 22	Factor Demands	11, 13, 14
February 24	Midterm Exam 2	
February 27 – 29	Competitive Equilibrium	14
February 29 – March 12	Welfare and Efficiency	15
March 12 – 14	General Equilibrium	16
March 16	Review	
March 21	Final Exam	

Also, students need to understand Sections F-H of Machina's Econ 100ABC math handout: [http://www.econ.ucsd.edu/~mmachina/courses/ECON\\_100B/ECON\\_100B\\_Math\\_Handout.pdf](http://www.econ.ucsd.edu/~mmachina/courses/ECON_100B/ECON_100B_Math_Handout.pdf)  
This material will be reviewed during the course.