

Principles of Economics -- Microeconomics
Economics 1
University of California, Los Angeles
Dr. Anne Bresnock

Winter, 2005

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Research Website: www.class.csupomona.edu/earth.html (See Economics section.)

Required Text: Paul Krugman and Robin Wells *Microeconomics* (New York, NY: Worth Publishers, 2005), and accompanying study guide.

Class Web: <http://www.sscnet.ucla.edu/05W/econ1-1/>
Text Website: <http://www.worthpublishers.com/krugmanwells>

Course Objectives: The key objectives in this introductory course in microeconomics include:

1. The student should develop a solid foundation of basic economic concepts pertaining to the market system. The nature and method of decision-making units -- consumers, producers, and governments--to make choices while constrained by limited resources will be carefully analyzed. Additional constraints to the decision making process--government regulations, imperfect competition, etc.--will also be investigated.
2. The student should develop an understanding of the institutional framework of the American economy within which our system of mixed capitalism operates. Thus, an analysis of the various ways producers organize their business, the role of labor unions in labor markets, the role of taxes in directing economic choices, the effect of government regulations on production decisions, etc., will be pursued.
3. The student will develop the ability to apply basic economic concepts and principles to problem situations. In order to accomplish this problem solving aptitude, the student will acquire the basic methodology and tools of analysis necessary to formulate economic decisions. Often the ability to select and utilize economic data to reach a solution will be required as well as a comprehensive justification of the solution.
4. The student will develop the ability to communicate the logic of economic thinking qualitatively and quantitatively. Through the use of objective, problem set and essay testing techniques, the student will be expected to utilize the principles of economics, to analyze and synthesize answers to problem situations.
5. Finally, the student will develop a better understanding of the role of economics in our sociopolitical environment as well as the role economics plays in decision making processes that crossover to other disciplines -- the arts, natural sciences, and other social sciences. Such knowledge is important to gain awareness of the overall operation of society.

Testing and Grading: There will be two examinations. Please note the exam dates that are listed in the attached syllabus. Under no circumstances are make-up examinations given. Students missing a test for a serious and unavoidable reason will be excused from that test if the professor approves acceptable documentation for such an excuse prior to the exam date. Students with approved excuses will receive a grade computed by averaging their remaining course work. Students missing an examination without a valid reason will receive a zero grade for that exam. No one will be excused from the final exam.

The midterm and final examinations will contain multiple choice (80%), and problem-solving, or essay (20%), sections. For example, each test will consist of 40 multiple-choice questions worth 4 points each, or 160 points, and 2 problems or essays worth 20 points each, or 40 points, for a total of 200 points. The problems or essays will typically require graphical, numerical and/or a brief verbal analysis, and be no more than one - two pages in length each.

Your grade in Economics 1 will be determined as follows: Total Maximum Points

Computer projects (2 @50 pts. each)	100	(20.0%)
Midterm examination	200	(40.0%)
Final examination	200	<u>(40.0%)</u>
Total Course Points	500	(100.0%)

4 Bonus On-line Survey **40 points**

<u>Grading Scale</u>	<u>Total Accumulated Points</u>	<u>Course Grade</u>
90 - 100%	450 - 500	A- to A
80 - 89%	400 - 449	B- to B+
70 - 79%	350 - 399	C- to C+
60 - 69%	300 - 399	D- to D+
Below 60%	0 - 299	F

Note: An A+ is 97% and up, A is 93% to 96.99%, an A- is 90% - 92.99%, etc.

Your grade in Economics 1 is thus determined solely on the criteria described above, not on the basis of “need” or special circumstances. There will be no extra credit opportunities to raise your grade in the class as well as in the quiz sections. Incompletes are strictly forbidden in this course except in highly extraordinary and unavoidable circumstances. Please immediately consult university policy and specific dates to drop a class. You are expected to adhere to university drop policies. The instructor will make no exceptions unless highly extraordinary and unavoidable circumstances should prevail. Students taking the class on a pass/no pass basis must complete all course requirements. To receive a Pass grade you must earn a minimum grade of a C (73%) in the course overall.

Computer Project

Each student will complete two computer projects. Due dates for the projects are listed in the course syllabus. Late computer projects will not be accepted since the answer keys will be posted on the course website the day they are due. Students should make a Xerox copy of the assignments for immediate review purposes. All of the module information is posted on the Class Web site in the under “SimEcon” in the “Class Materials” section

All students will complete Computer Project 1 on the Markets Module. There is an old assignment for the Markets module (and an answer key) posted to the Class Web site in the “SimEcon” section that will give you an idea of what this assignment will entail. The TAs will assign one additional computer project to each student. The choices are: Computer Project 2 = Competition Module and Computer Project 3 = Monopoly Module. Each student **must** complete one of these two assignments. If you know that you have a time conflict with the one of the due dates for either Computer Project 2 or 3, please let your TA know this in advance, so that the TA can give you an the assignment that does not result in a time conflict for you.

The computer project assignments will be collected in class lecture on the dates indicated in the course syllabus. You may turn in the assignments immediately after the lecture on the date indicated during my office hours up to 10:15 a.m. Any assignments not received by that time on the due date will receive a zero grade because I will be immediately posting the answers.

Quiz Section Requirements

You were assigned to a weekly quiz section when you enrolled in this class. You must attend the quiz section each week. The TA sections will give you an opportunity to ask questions, review problems such as those posted on the ClassWeb site under “Additional Problems” to prepare for exams, receive feedback on the midterm, and review other course materials. Also note, that your TA will be recording your grade information and you can check your grades in the TA section on a regular basis.

TA office locations are posted outside the Economics department offices in 2263 Bunche and 8283 Bunche. Their office hours are also posted there as soon as they are determined. There are no telephones in the TA offices. They may be contacted by E-Mail. Their E-Mail addresses are listed on the mainpage of the Class Web site that also lists their office hours.

Some Suggestions

To be successful in this course, the following suggestions are offered:

1. Attend class and quiz sections regularly. Excessive absences (more than two per term) tend to result in a low or failing grade.
2. Expect to spend about 6 hours per week in preparing for this course in order to earn a C grade.

3. Read the assignment before class. Work problems and practice quizzes that pertain to the assignment in advance of class discussions. Problems and practice quizzes may be found at the end of each chapter, in the recommended study guide, and via the text website. (“Bookmark” or add this site to “Favorites” in your Web browser.
4. Download the partial class lecture notes prior to each class meeting. They will be posted on the ClassWeb site and it is your responsibility to bring a copy of the notes for each class to lecture.
5. Reread the assignment for clarity after class discussion. Some times rereading certain sections several times will be necessary to obtain a firm grasp of a concept
6. Write down questions that come up while reading the assignment and discuss them with your TA in the quiz section or with me during my office hours. By reviewing the material with others much learning may be gained. Consider forming study groups with other class members.
7. Take the on-line quizzes associated with each chapter. The quiz will be graded and you can quickly ascertain whether you have learned the material. Research each incorrect answer with text and lecture resources then retake the quiz.
8. Work through the recommended problem sets found in the ClassWeb site for this course. (“Bookmark” or add this site to “Favorites” in your Web browser.) Consult your TA if questions arise related to these problems in your TA sections.
9. Use the course website to review the subject matter contained in each chapter. This type of review may be particularly useful prior to quizzes and exams.
10. Attend all TA sections. Your TA is the “field guide” to this course. Your TA will answer general questions you have about assignments, due dates, course requirements, etc. so as to keep you on track with successfully completing the course.
11. Consult the instructor if difficulties arise in the class that cannot be resolved by your TA.

Course Outline and Assignments

I. Introduction to Economics

**Lectures 1 and 2
1/10**

- A. Scope and Method of Economics
Assignment: Krugman/Wells, Ch. 1

**Lecture 3
1/12**

- B. Scarcity and Choice: The Economic Problem
Assignment: Krugman/Wells, Ch. 2 and Appendix

ClassWeb Recommendations: Additional Problems (and Answers) = PPCs; Other Notes = PPCs; and Handout #1 (and Answers); Homework 1 (and Answers)

1/17

No Class (Holiday: Martin Luther King)

II. The Market Mechanism: Elements of Price Theory

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Lecture 4
1/19 and 1/24

- A. Theory of Demand and Supply
Assignment: Krugman/Wells, Ch. 3 and Ch. 4

ClassWeb Recommendations: Additional Problems (and Answers) = Markets; Other Notes = Types of Goods; and Handout #2 (and Answers)

Lecture 5 and 6
1/26 and 1/31

- B. Elasticity and Efficiency
Assignment: Krugman/Wells, Ch. 5 and Ch. 6

ClassWeb Recommendations: Additional Problems (and Answers) = Elasticity; Other Notes = Elasticity; and Handout #2 (and Answers); Homework 2 (and Answers)

Quiz 1: On-Line (Covers Chapters 3 and 4)

III. Competitive Market Behavior

Lecture 7
2/2

- A. Consumer Decision Making: Further Demand Analysis
Assignment: Krugman/Wells, Ch. 10

ClassWeb Recommendations: Additional Problems (and Answers) = Utility; and Handout #3 (and Answers)

2/2

Computer Project 1 = Markets Module Due (in class lecture)

Quiz 2: On-Line (Covers Chapters 5 and 6)

2/7

Review

Midterm

February 9 (Covers Chapters 1,2, 2A 3, 4, 5,6, 10)

Lectures 9 and 10
2/14 and 2/16

- B. Producer Decision Making: Further Supply Analysis
Assignment: Krugman/Wells, Ch. 7 pp. 160 – 172, and Ch. 8)

ClassWeb Recommendations: Additional Problems (and Answers) = Production Analysis and Cost; Other Notes = Production Function and Production Cost; and Handout #4 (and Answers); Homework #3 (and Answers)

2/21

No Class (Holiday: President's Day)

IV. Economics of the Firm: Price and Output Determination

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Lectures 11 and 12
2/23 and 2/28

A. Theory of the Firm: Pure Competition
Assignment: Krugman/Wells, Ch. 9

ClassWeb Recommendations: Additional Problems (and Answers) = Pure Competition; and Handouts (and Answers) = #5

Lectures 13 and 14
3/2 and 3/7

B. Theory of the Firm: Monopoly
Assignment: Krugman/Wells, Ch. 14

ClassWeb Recommendations: Additional Problems (and Answers) = Pure Monopoly; Other Notes: Efficiency and Long Run Equilibrium; and Handouts (and Answers) = #6; Homework #4 (and Answers)

3/7 **Computer Project 2 = Competition Module Due (in class lecture)**

Week 9 **Quiz 3: On-Line (Covers Chapter 9)**

Lecture 15
3/9

C. Theory of the Firm: Monopolistic Competition
Assignment: Krugman/Wells, Ch. 16

3/14 **Computer Project 3 = Monopoly Module Due (in class lecture)**

Week 10 **Quiz 4: On-Line (Covers Chapter 14)**

Lecture 16
3/14

D. Theory of the Firm: Oligopoly
Assignment: Krugman/Wells, Ch. 15

3/16 **Review**

March 22 **Final Examination 8:00 a.m. – 11:00 a.m. Dodd 147**

On-line Bonus Survey

At the end of the quarter, you will have the opportunity to complete an on-line survey regarding the Krugman/Wells text in which you will provide responses to questions concerning the contents of the text. I will provide a website address for you to access the survey with any necessary passwords required closer to the end of the quarter. You will enter your name and SID along with your responses and submit the survey on-line. I will receive a report on who has completed the survey and information regarding your responses so that I can award credit for completing the survey for your bonus points.

Other Class Web Features

A. Discussion Board

A threaded discussion board is contained in our ClassWeb site for student questions and answers related to all course assignments. Students should post their questions relative to the course material and other students should provide answers to those questions. This board will eliminate inefficiencies caused by multiple postings of the same questions to the professor, TAs or each other. Before writing to your professor or TA, please post your question to the discussion board. (Note: You may need to click the "Reload" or "Refresh" option of your Web browser after posting a message before you can see it displayed).

All postings must be by students in the class, or by your professor. All postings must include the real name of each student. Postings that do not conform to these rules will be removed. Postings should be used only when you are truly baffled with a problem and after you have expended sufficient time to solving the problem **yourself**. Do not post entire solutions to the list.

All students should review the board frequently to see if the on-going discussion is helpful. Your professor will provide answers to some posted questions as well. Add the URL of the discussion list to your list of "Bookmarks" or "Favorites" maintained in your Web browser, to make it easy to check the list every day. The discussion board will be a valuable tool if it is not abused.

The threaded discussion list should be used for mutual support for the subject matter of the course, **not** for general comments, sports scores, complaints (about the weather, parking, etc.), criticism of other persons, personal comments and concerns, etc.

B. Announcements

From time to time I will post announcements that will also be sent out as E-Mails to the class and TAs. Students are required to have an E-Mail account registered with the university for this purpose. If you find that you do not receive an E-Mail that was sent out to the class, this means that the university does not have your E-Mail address. I cannot add you to the E-Mail list.

Economics 1 Quick Reference
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Week	Monday	Tuesday	Wednesday	Thursday	Friday
1	Jan. 10 Lectures 1 - 2		Jan. 12 Lecture 3		
2	Jan. 17 No Class		Jan. 19 Lecture 4		
3	Jan. 24 Lecture 4 (cont.)		Jan. 26 Lecture 5		
4	Jan. 31 Lecture 6		Feb. 2 Lecture 7 CP1 Due		
5	Feb. 7 Review		Feb. 9 Midterm		
6	Feb. 14 Lecture 9		Feb. 16 Lecture 10		
7	Feb. 21 No Class		Feb. 23 Lecture 11		
8	Feb. 28 Lecture 12		March 2 Lecture 13		
9	March 7 Lecture 14 CP2 Due		March 9 Lecture 15		
10	March 14 Lecture 16 CP3 Due		March 16 Review		
11	Final Exam Week March 22 8:00 – 11:00 a.m. Dodd 147				

Note: CP1 = Markets Module, CP2 = Competition Module; and CP3 = Monopoly Module