BOSTON COLLEGE
Department of Economics

Principles of Microeconomics
EC 131.03 (MWF 9, Fulton 423)
Fall 2000
Course Homepage:
http://www2.bc.edu/~waldkira/ec13103.html

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I. Course Objective

The objective of this course is to learn the fundamentals of Microeconomics. This branch of economics focuses on the behavior of consumers and business firms. Analysis of all aspects of supply and demand in a single market is the central point of the course. The fundamental ideas will be illustrated by discussing current economic issues whenever possible.

II. Required Text

Tresch, Richard W., **Principles of Microeconomics**, South-Western College Publishing (2000). This is a custom edition for Boston College. All readings in the syllabus refer to this textbook unless otherwise noted. In order to get the most out of the course, I urge you to keep up with current economic issues. This can most easily be done by getting into the habit of regularly reading publications such as **Business Week, The Wall Street Journal** and/or **The Economist**. All these are available in O'Neill library or for subscription at student discount rates. On occasion, I will be discussing articles from these and other popular journals.

III. Course Requirements

There will be two midterm exams and one final exam. The midterms are in-class and will cover material up until the exam. The final exam is cumulative. In addition, a number of problem sets will be distributed throughout the course. Finally, regular class attendance is required.

There will be absolutely **no make up exams** given. Any missed exams require appropriate documentation from the Dean of your school in order to avoid a failing grade. If you miss one of the midterms, I will increase the weight of all other course requirements accordingly. You cannot miss the final exam. In the event that school is canceled on an exam day due to inclement weather or any other emergency, the exam will be given the next regularly scheduled class day.

The problem sets are crucial in helping you to understand the material taught in class. In addition, they help you in preparing for the exams. You are encouraged to work on problem sets together. Studying in groups is a valuable experience in and of itself and will enhance your understanding of the course material. However, **you are required to write up and turn in your own answers**. Problem sets that are simply copied from somebody else in class will receive a score of zero. Problem sets will be handed out one week before they are due. They are due in class. **Absolutely no late problem sets will be accepted**. Since I realize that unforeseen circumstances can arise, however, I will drop your lowest problem set score from consideration for your problem set grade. Answers to all problem sets as well as to the exams will be available on the course homepage: http://www2.bc.edu/~waldkira/ec13103.html.

Grades will be determined according to the following formula:

Problems sets	20% of final grade
2 midterms	each 20% of final grade
Final exam (cumulative)	35% of final grade.
Attendance and class participation	5% of final grade

Exam Schedule:

Midterm 1:	October 4
Midterm 2:	November 8
Final:	December 19, 9 a.m.

Problem Set Schedule:	Handed out	Due date
(subject to change)		
Problem set 1:	September 13	September 20
Problem set 2:	September 25	October 2
Problem set 3:	October 18	October 25
Problem set 4:	October 30	November 6
Problem set 5:	November 13	November 20
Problem set 6:	December 1	December 8

IV. Miscellaneous

Class attendance is extremely important and active participation in class is strongly encouraged. You are always welcome to ask questions or raise issues of interest. This serves to maximize your learning, but also gives me instant feedback and lets me know which concepts are difficult to grasp. If there is anything that you do not understand from the lectures, feel free to come and see me during my office hours or set up an appointment. Talk to me after class or send e-mail to do so. Note that you are held responsible for all readings, assignments and announcements made in class.

There are no formal prerequisites for this class. However, even at the principles level, economics has a certain mathematical aspect to it. I will present the essential elements of the mathematical techniques required in class as we go along, but you should review some basic algebra on your own if you feel you need to. You should be comfortable manipulating fractions, decimals, and percentages, solving simple equations and reading and interpreting graphs. Note that the Academic Development Center (ADC), located on the second floor of O'Neill Library, provides free tutoring services.

Academic Integrity: Be advised that cheating on any exam will not be tolerated and will result in an automatic failing grade on the exam in question. Please refer to the page on Academic Integrity in the BC Student handbook.

V. <u>Course Outline and Readings</u> (subject to change as the course progresses)

<u>I. Introduction (approximately 2 weeks)</u>

      Chapter 1 - The First Principles of Economics (pp. 1-15)
      Chapter 2 - Solving the Economic Problem (pp. 17-35)
      Chapter 3 - Society's Economic Problem (pp. 37-56)
      Chapter 4 - Markets, Prices and the US Economy (pp. 69-93)

<u>II. Competitive Markets - The Laws of Supply and Demand (approximately 4 weeks)</u>

      Chapter 5 - Demand and Elasticity (pp. 99-124)
      Chapter 6 - Supply and Marginal Cost (pp. 127-153)
      Chapter 7 - Market Equilibrium (pp. 155-179)
      Chapter 8 - Applications of Supply and Demand (pp. 190-209)
      Chapter 9 - Supply and Demand in Competitive Labor Markets (pp. 211-238)

<u>III. Behavior of Business Firms in a Market Economy (approximately 6 weeks)</u>

      Chapter 11 - The Firm's "How" Problem and the Total Cost of Production (pp. 277-302)
      Chapter 13 - Perfect Competition (pp. 337-381)
      Chapter 14 - Pure Monopoly (pp. 389-418)
      Chapter 15 - "Softening" Competition (pp. 421-444)
      Chapter 16 – Oligopoly (pp. 445-464)
      Chapter 17 – Public Policy and the Big Business Sector (pp. 465-498)