

BOSTON COLLEGE  
Department of Economics

Ec 131.02  
Principles of Economics-Micro  
Fall, 1997

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Office Hours: M 2-3, W 1-2, Th 3:15-4

Text: Samuelson, Paul A., and Nordhaus, William D. Economics, 15th ed., 1995. Plus outside readings to be assigned.

Course Requirements: 2 midterm exams (30% each), on **Sept. 30 and Nov. 4**  
a final exam (40%), on **Dec. 12** at 12:30 p.m.  
numerous problem sets (optional, but strongly recommended)  
used as additional evidence for up to one notch on your  
final grade (C to C+, B- to B, etc.)

Course Organization and Expectations:

The course meets for two lectures per week (Tuesdays and Thursdays from 1:30 to 2:45) and in most weeks for a problem-discussion section as well. Be sure to sign up for a discussion section by Tuesday, September 9. Problem sets will be handed out in class by one week before they are due and are to be turned in on the day due either just prior to class or during the five-minute break in the middle of class. Your teaching assistant will go over the problem sets, return them in the discussion sessions, and will respond to questions you may have on either the problem sets or material presented in the lectures or the text. Time permitting, your T.A. will expand on topics from the text not covered in the lectures.

You are expected to read the text carefully, attend all classes, work through the problem sets, and to come with questions to your discussion sessions. You may work together on the problem sets--indeed you are encouraged to do so--but you are not simply to copy the work from someone else. You are to work through your own answers before turning them in.

Your work on exams is to be entirely your own. Be sure you are familiar with the sections on "Academic Honesty" in the Boston College Catalog (p. 33) and be aware that your instructor and your T.A. take this most seriously.

There will be no make-up exams. If you miss an exam for good reason, let me know immediately (my phone has voice mail in the event I am not in) and you will be graded on the other exam and the final. If you do poorly on one mid-term but consistently well on the other one and the final, the one poor exam will be discounted (but not completely ignored).

I want you to follow current press reports on issues we are dealing with in class. Raise questions and approach me after class. The course will be much more meaningful if we follow current policy issues and then look at them in terms of the analytical apparatus developed throughout the course.

Finally, a word on economics. It will be completely new to most of you, and many of you will find it difficult. But you have an excellent text and you will have problem sets designed to help you master the more difficult material. You will find your T.A. more than willing to help if you are doing your share as well. If you take the course seriously and you work at it, most particularly early on, you will gain understanding in a completely new area of experience. You may even find it as exciting and as interesting as do those of us who call ourselves economists.

Syllabus

<u>Date</u>	<u>Topics</u>	<u>Text Assignment</u>
Sept.	2 Introduction: Scarcity and Choice	Ch. 1 (A and B)
	4 Central Economic Problems: The Production Possibility Frontier The Law of Diminishing Returns	Ch. 1(C). Ch. 6 (p. 96)
	9 The Price System	Ch. 2
	11 Supply and Demand	Ch. 3
	16 Elasticity of Demand and Supply	Ch. 4 (A)
	18 Markets, Efficiency, and Equity: Farm subsidies, the Minimum Wage, Rent Control	Ch. 4 (B)
	23 Demand, Utility, and Consumer Behavior	Ch. 5
	25 Business Organization and Securities Markets	Ch. 6 (B), App'x. to Ch. 26
	30 <b>Exam</b>	
	Oct.	2 Cost and Supply
7 Competitive Markets		Ch. 8
9 Monopoly and Imperfect Competition		Ch. 9
14 Oligopoly and Game Theory		Chs. 10, 11(B)
16 Regulation and Antitrust		Ch. 18
21 Marginal Productivity, Wages, and Rent		Chs. 6(A), 12
23 Productivity and Economic Growth		Ch. 28(A), Ch. 36(A)
28 Wage Differentials and Discrimination		Ch. 13
30 Capital, Interest, and Profits		Ch. 14
Nov.	4 <b>Exam</b>	
	6 Markets and the Role of Government	Chs. 15, 16(A)
	11 Public Choice, Economics of Health Care	Ch. 16(B and C)
	13 Externalities, Pollution and Congestion	Ch. 19
	18 Taxes, Efficiency, and Equity	Ch. 17
	20 Income Distribution, Poverty and Welfare	Ch. 20
	25 Free Trade, Tariffs, and Quotas	Ch. 35
Dec.	2 Capitalism and Socialism	Ch. 36(B)
	4 Reflections on Economics and Ethics: The Moral Dimensions of Economic Activity	
	9 Summary and Review	
	12 <b>Final Exam</b> 12:30 p.m.	