

Syllabus

Department of Economics
EC131
Fall 1998

A. Laramie
Principles of Microeconomics
Office: Carney 232

Office Hours: Tuesday and Thursday 10:30 - 11:30

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Required Reading: Richard Tresch, Principles of (Micro) Economics, West Publishing Company.

Course Objective: The purpose of this course is to get you to think critically about how the economy works and how government policy impacts on the workings of the economy. In this course, particular emphasis is given to analyzing the determinants and the effects of individual households' and businesses' (economic) decisions. By the end of the course, you should be able to understand the meaning of economic efficiency, the requirements for economic efficiency, and how different social environments affect the economy's performance. Moreover, you should have a sense as to how well our economy works and the circumstances where government intervention is appropriate. To accomplish these objectives, we will learn about the research methods of economists.

Course Outline

- I. Introduction
 - A. The First Principles of Economics
 - B. Solving the Economics Problem
 - C. Society's Economic Problem
 - D. Markets, Prices and the United States Economy
- II. The Laws of Supply and Demand
 - A. Demand and Elasticity
 - B. Supply and Marginal Cost
 - C. Market Equilibrium: The laws of Supply and Demand
 - D. Applications of Supply and Demand
- III. The Economic Problem of Consumers and Business Firms
 - A. The Theory of Consumer Choice
 - B. The Firms How Problem and the Total Cost of Production

- IV. The Structure of Product Markets in the United States
 - A. Perfect Competition
 - B. Pure Monopoly
 - C. Softening Competition: From Collusion to Effectively Competitive Markets
 - D. Oligopoly
- V. Conclusion: Implications for the Economy as a Whole.

Grading: Grading will be based upon three semester exams and a final exam. The final exam will be cumulative. The lowest semester grade will be dropped from the final average. Your final average grade will be based on the two semester exams with the highest scores (each weighted 30%) and the final exam (weighted 40%).

Tentative Assignment Schedule:

- 9/3 Introduction
- 9/8 Chapter 1: Questions 1, 2, and 6
- 9/10 Chapter 2: Questions 4, 5, 6, 7 and 8
- 9/15 Chapter 3: Questions 2, 3, 4 and 6
- 9/17 Chapter 4: Questions 5
- 9/22 Review
- 9/24 **Exam 1**
- 9/29 Chapter 5; questions 1, 4, 5, 6, 8 and 11
- 10/6 Chapter 6: questions 1, 3 - 10
- 10/8 Chapter 7
- 10/13 Chapter 7 continued: questions 2 - 4, 10
- 10/15 Review
- 10/20 **Exam 2:** Chapters 5 - 7

10/22 Appendix 10:2: question 1
Chapter 10: questions 1 -4

10/27 Chapter 11

10/29 Chapter 11 continued: questions 2- 4, 7 - 9

11/3 Chapter 13

11/5 Chapter 13 continued: questions 1 - 4, 8, 10

11/10 Review

11/12 **Exam 3:** Chapters 10, 11, 13

11/17 Chapter 14

11/19 Chapter 14 continued: questions 1 - 3, 6, 9 -11

11/24 Review
No classes 11/26

12/1 Chapter 15 questions: 4 - 7

12/3 Chapter 16 continued, questions 2, 4, 6 - 8, 10

12/8 Review